



Daily Report

East Asia

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Thursday
26 May 1988

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Japan

Reagan To Discuss Islands Claim With USSR
OW2605090288 Tokyo KYODO in English 0337 GMT
26 May 88

[Text] Helsinki, May 26 KYODO—U.S. President Ronald Reagan will discuss Japan's claim to Soviet-held islands at a summit meeting with Soviet leader Mikhail Gorbachev, a White House spokesman said Thursday.

The spokesman said Reagan disclosed this during an interview with Southeast Asian reporters in Washington on Monday.

Reagan earlier in the day arrived in this Finnish capital for a three-and-a-half-day stopover before going to Moscow for his fourth summit with Gorbachev from May 29 to June 2.

The President was quoted as saying he will take every opportunity at the summit to bring the Japanese territorial issue for discussion with Gorbachev for a solution in favor of Japan.

The Soviet Union seized four islands east of Japan's northernmost main island of Hokkaido immediately after the end of World War II and has since rejected the Japanese claims to them, saying there is no territorial dispute between the two countries.

Reagan was also quoted as saying that Japan should exert further efforts to liberalize its imports of agricultural products.

U.S.-Japan negotiations on the beef and orange trade dispute ended in failure in Washington early this month and a dispute panel has been set up within the General Agreement on Tariffs and Trade (GATT) to study U.S. and Australian complaints over Japan's beef and orange import curbs.

Diplomatic sources said Reagan and Japanese Prime Minister Noboru Takeshita will likely discuss the issue at their meeting in London on June 3.

Takeshita will meet the U.S. President after attending a special UN General Assembly session on disarmament in New York. He will also visit the Netherlands, France and Belgium.

Reagan was quoted as praising Japanese efforts to expand domestic demand and open its market wider to foreign products.

He also pointed to Japan's agreement with the United States to open its construction market and a bilateral agreement on science and technology, the White House spokesman said.

The president, however, said Japan should do more to liberalize its farm market and expressed dissatisfaction over Japan's delays in working out a concrete schedule for the decontrol of 12 other farm produce [as received].

Reagan pointed to the importance of the free trade system and asked U.S. trade partners to quickly lower customs duties and abolish trade barriers, the spokesman said.

Regarding Asian security, the President said he will urge Gorbachev to call on North Korea to resume dialogue with South Korea to ease tension on the Korean peninsula.

He rejected a proposal to create a nuclear-free zone in Southeast Asia, which the Soviet Union has supported, saying such a zone would heighten tension in the region.

Reagan said it would be difficult for him and Gorbachev to reach agreement on a 50 percent reduction in strategic missiles during the coming Moscow summit but said he is confident such an agreement will be concluded by the end of this year, the spokesman said.

Plan To Drop Beef Surcharge Angers LDP
OW2505142788 Tokyo KYODO in English 1318 GMT
25 May 88

[Text] Tokyo, May 25 KYODO—A government decision to scrap its plan to impose a 10 percent surcharge on imported beef drew strong criticism Wednesday from ruling party members concerned with the promotion of Japan's livestock industry.

The decision was discussed at an emergency meeting of a livestock industry promotion group within the Liberal Democratic Party.

The critics argued that the domestic industry cannot be protected by raising import duties and that imposition of a surcharge is authorized under rules of the General Agreement on Tariffs and Trade (GATT).

Shintaro Abe, secretary general of the party, disclosed Tuesday that the government and party are studying substitute members for the planned surcharge in a move to solve a dispute over imports from the United States of beef and citrus.

The U.S. strongly opposed Japan's proposal for a surcharge, deadlocking bilateral talks. Washington submitted the case to GATT earlier this month for a ruling.

Takami Eto, acting head of the group, said Prime Minister Noboru Takeshita promised not to make a rash decision on the issue in his talks with U.S. President Ronald Reagan at their meeting in London on June 3.

Bilateral Solution on Beef Dispute Desired

OW2605050288 Tokyo KYODO in English 0343 GMT
26 May 88

[Text] Washington, May 25 KYODO—Japan wants to settle the long-standing dispute over its import barriers on U.S. beef by early or mid-June, when a multilateral panel of the General Agreement on Tariffs and Trade (GATT) is expected to start deliberations on the matter, Japanese diplomats here said.

The diplomats, who requested anonymity, said Japan also wants to prevent the beef trade row from putting Japan under pressure during discussions on farm trade policies at next month's summit of seven major industrialized nations in Toronto, Canada.

Both Japan and the United States want to avert debate at the GATT international trade tribunal, because the GATT talks, once initiated, would reduce the possibility of reaching a bilateral solution by increasing the confrontation atmosphere, they said.

Tokyo has been urging Washington to settle the row through bilateral talks without going through the GATT panel, while the Reagan administration has urged Tokyo to spell out a plan to lift the import quotas without replacing them with measures that would have the same effect as the quotas, such as import surcharges or adjustment duties.

Washington threatened to invoke Section 301 of the 1974 Trade Act to impose retaliatory sanctions against Japan. Tokyo has argued that the import liberalization would threaten the livelihood of Japanese livestock breeders, which in turn would undermine one of the power bases of the ruling Liberal Democratic Party.

The diplomats also said the beef trade dispute will not be discussed between Prime Minister Noboru Takeshita and President Ronald Reagan when they meet in London on June 3.

Even if the two leaders did take up the beef issue at the London summit, they would only pledge efforts to seek an early solution of the matter, they said.

The diplomats hinted that Japan may ask U.S. Trade Representative Clayton Yentler to come to Tokyo to iron out still-large differences between the two sides.

Japan prefers the dispute to be discussed first between working-level officials and then through cabinet minister-level negotiations that would focus on the remaining differences, they said.

They said the U.S. still vehemently opposes any Japanese attempt to levy the import surcharges.

Although the U.S. has long criticized Japan's multi-stage beef distribution system as driving up the retail price of imported beef, it is not pressing for Japan to scrap the Beef Industry Promotion Corp., a quasi-governmental organization that controls all beef imports and keeps prices high.

Meanwhile, Assistant U.S. Trade Representative Suzanne Early demanded that Japan drop its import restrictions on eight categories of farm products in two years, Japanese officials said.

The request came at a two-day meeting with the Japanese Agriculture Ministry's International Affairs Department Director General Hirofumi Ueno, said the officials.

In early February, Japan announced it will accept a ruling by a GATT multilateral panel that found Japan's import curbs on 10 farm products, including the eight products in question, illegal under international trading rules.

The eight agricultural products are processed cheese, canned pineapples, processed beef and pork, tomato juice, tomato ketchup and sauce, fruit paste and puree, grape sugar and other processed foods. Japan rejected the GATT ruling that recommended an import decontrol on starch and powdered and condensed milk.

Since its acceptance of the GATT ruling, Japan has delayed the announcement of the timing of the removal of the import restrictions, the officials said.

The U.S. trade negotiators also said the U.S. wants to settle the issue through bilateral talks before a GATT council meeting on June 15, which is expected to take up the delay in the announcement of the timing of decontrols, the officials said.

The Japanese side said it will try to fix the timing soon, they said.

Both sides agreed to hold further talks on the matter before the GATT council meeting, they added.

Congress Urged To Drop 'Unfair' Sanctions

OW2505152588 Tokyo KYODO in English 0550 GMT
25 May 88

[Text] Tokyo, May 25 KYODO—Toshiba Corp. President Joichi Aoi issued a statement Wednesday urging the U.S. Congress to drop a provision penalizing the conglomerate for selling defense-related high technology to Moscow.

Aoi said in the statement, "we earnestly hope that the U.S. Congress will exercise sound and equitable judgment, so that the unfair and unreasonable sanctions contemplated against Toshiba Corp. will never be enacted."

The statement came amid concern here over the possibility that U.S. lawmakers may enact the Toshiba-sanction clause as a part of a new milder version of the omnibus trade bill or as a separate law in the aftermath of Tuesday's invoking of a veto by President Ronald Reagan.

Although the Senate is widely expected to be unable to override the veto due to the lack of a two-thirds majority against it, Congress may enact a revised version of the omnibus trade bill including the Toshiba-sanction clause if it can agree to delete several provisions that prompted Reagan to veto the whole bill.

Contrary to expectations in business circles and among lobbyists, Reagan failed to mention the Toshiba-sanction provision as a reason for rejecting the trade bill. Congress members had been furious over the sale of the sophisticated machinery, which the Pentagon charged enabled the Soviet Navy to mill ultraquiet submarine propellers or powerful aircraft carrier screws.

Aoi said, however, "though it is reported that this clause was not specifically mentioned as one of the reasons for the exercise of the presidential veto, the Reagan administration has repeatedly expressed opposition to the sanction clause."

The Toshiba-sanction clause, if enacted, would impose a three-year ban on the U.S. sale of products of Toshiba Machine Co. and a Norway's Kongsberg Vaapenfabrikk subsidiary. It would also slap a three-year ban on federal government contracts with Toshiba Corp. and the Norwegian arms maker.

Meanwhile, senior officials of the Ministry of International Trade and Industry (MITI) said Japan will continue to lobby the Congress and Reagan administration not to enact the revised trade bill which includes several protectionist provisions.

They expressed concern about the possibility that the new bill would include the Toshiba-sanction clause, the controversial "super 301" provision and a provision aimed at thwarting the piracy of U.S. intellectual property rights.

Under the super 301 provision, the authority to decide what is considered an unfair trade practice by a foreign trading partner and how to retaliate against such practices would be transferred from Reagan to trade representative Clayton Yeutter.

Another provision that drew condemnation from U.S. trading allies would revise Section 337 of the U.S. Tariff Law in order to mandate presidential action against countries failing to keep its business firms from copying U.S. computer software or infringing on high technology patents, copyrights or other intellectual property.

The MITI officials, who asked not to be named, said the intellectual property-protection clause "left European and Asian countries worried" about prospects of its enactment.

MITI Minister Hajime Tamura interpreted the presidential veto as tacitly indicating the Reagan administration's opposition to the Toshiba-sanction bill, the officials added.

Official Skeptical About Baker's Proposal

OW2605122388 Tokyo KYODO in English 1129 GMT
26 May 88

[Text] Tokyo, May 26 KYODO—A high-ranking official of the Finance Ministry Thursday expressed skepticism about a proposal made last week by U.S. Treasury Secretary James Baker that Group of Seven (G-7) industrial nations coordinate their policies by checking "monitoring zones" in key economic indicators such as growth rates and trade balances.

The official, who spoke on condition of anonymity, said although he thinks (the proposal) is a good idea in theory, he doubts whether it would work in practice.

Under Baker's proposal, "monitoring zones" would be set in the indicators to alert countries when some aspects of their economies deviate widely from appropriate target zones.

The scheme is designed to enhance economic policy coordination among major economies that Baker launched three years ago.

As to whether the proposal will be on the official agenda for the G-7 meeting of finance ministers during the summit meeting slated for June in Toronto, Canada, the official said the matter has not yet been decided.

U.S. Urged To Rescind Ban on Contractors

OW2605072888 Tokyo KYODO in English 0656 GMT
26 May 88

[Text] Tokyo, May 26 KYODO—The head of the Japanese construction industry issued a statement Thursday urging the United States to withdraw a ban on Japanese contractors from Federal Government-funded projects. The move followed Wednesday's signing of a bilateral construction pact.

Hajime Sako, chairman of the Japan Federation of Construction Contractors, said in the statement, "We strongly hope that the office of the U.S. trade representative will immediately reverse its decision to name Japan as one of those countries that should be subject to exclusion" from Federal Government-funded projects.

His statement came after Japan and the United States ended two years of debate on the issue by signing a pact that will allow U.S. construction firms to participate in bidding on a total of 14 major Japanese public works projects and private projects sponsored by the government.

Late in 1987, the U.S. Congress approved a fiscal 1988 appropriations bill that included an amendment to exclude Japanese contractors from Federal Government-financed projects in retaliation for Japanese refusal to permit U.S. firms to participate in public works projects.

Sako also said Japan contractors will basically cooperate with foreign firms both in Japan and overseas if such collaboration is to the benefit of both parties.

Meanwhile, Taichiro Kumagai, chairman of the Japan Civil Engineering Contractors' Association, also issued a statement asking the government to consider internationalizing Japan's bidding procedures and rules for public works projects "in a long-term perspective."

Kumagai also urged the U.S. construction industry to compete with the Japanese construction industry on a nondiscriminatory basis by actively participating in the Japanese market "if the U.S. construction industry has aggression." [as received]

Takeshita Promises Cooperation for Olympics
OW2605045688 Tokyo KYODO in English 0248 GMT 26 May 88

[Text] Tokyo, May 26 KYODO—Prime Minister Noboru Takeshita pledged to new South Korean Ambassador to Japan Yi Won-kyong on Thursday that Japan will cooperate as much as possible to ensure the safety of the Seoul Olympics, a Foreign Ministry official said.

Yi, who arrived here April 23, paid a courtesy call on Takeshita at the prime minister's official residence.

During a 20-minute meeting, Yi conveyed a verbal message from South Korean President No Tae-u that his talks with Takeshita in Seoul on February 25 were useful.

The prime minister said he welcomes Yi's arrival and that all possible measures against terrorism aimed at the Seoul Olympics should be taken.

Yi was quoted as saying he appreciates Japan's positive cooperation to secure the safety of the Seoul Olympics.

Sakurauchi Leads Dietmen's Group to Seoul
OW2505134688 Tokyo KYODO in English 1135 GMT 25 May 88

[Text] Tokyo, May 25 KYODO—A group of 10 Diet members, including a Japan Socialist Party member, left for Seoul on Wednesday for a three-day visit to South Korea to inspect facilities for this year's Seoul Olympic games.

Prior to their departure, a group spokesman said the dietmen hope to meet President No Tae-u while in Seoul. The group is led by former Foreign Minister Yoshio Sakurauchi.

The group was originally scheduled to visit Seoul in March but the South Korean Government refused to issue a visa to JSP member Kenjiro Kawamata because of its dissatisfaction with what it claimed to be the JSP's hostile policy toward South Korea.

The main opposition party maintains friendly relations with North Korea in the absence of diplomatic relations between Japan and the communist nation.

The South Korea Government, however, changed its mind early this month and granted a visa to Kawamata.

ROK Foreign Ministry Demands JSP Apologize
OW2505123788 Tokyo NHK General Television Network in Japanese 1000 GMT 25 May 88

[Following transcribed from English simulcast]

[Text] The Foreign Ministry of South Korea has criticized an article carried by the newspaper of the Japan Socialist Party, SHAKAI SHIMPO, and has demanded an apology. SHAKAI SHIMPO reported yesterday that former Prime Minister of South Korea Kim Chong-yol said that the Korean Air Lines [KAL] incident last year was a conspiracy involving South Korea, Japan, and the United States.

The Korean Foreign Ministry says that the article was inaccurate and should be corrected immediately. The Korean Foreign Ministry says that it is deplorable that the official newspaper of Japan's leading opposition party carried a false story. The ministry criticized the article as an intentional plot to disgrace South Korea.

The JSP has started an investigation. The article carried by SHAKAI SHIMPO started with a report that the paper had obtained a statement by former Prime Minister of South Korea Kim Chong-yol. Mr Kim was quoted in the article as saying that the alleged destruction of the KAL plane was a conspiracy involving the governments of the United States, Japan, and Bahrain in order to create a new administration led by Mr No Tae-u. SHAKAI SHIMPO also said that the statement by Mr. Kim was broadcast by the Korean Munhwa Broadcasting Station on 18 April.

Rightwing members of the JSP believe that the article in SHAKAI SHIMPO may have a bad effect on relations with South Korea. Mr Sumiro Yamaguchi, general secretary of the JSP, is going to ask Mr. Takagi, director of SHAKAI SHIMPO, for a report so that everything can be cleared up as soon as possible. Party members are concerned that if the contents of the article are not true, the problem will affect not only the party itself but will damage trust in the party among its own members.

JSP To Withdraw Article

*OW2605085588 Tokyo NHK General Television
Network in Japanese 0300 GMT 26 May 88*

[Text] In connection with the issue involving the report concerning the KAL jetliner incident carried by the JSP organ SHAKAI SHIMPO, for which the ROK Foreign Ministry demanded an apology, the JSP has decided to retract the report, publish an apology in SHAKAI SHIMPO, and sternly punish the officials concerned.

The JSP is taking a serious view of the issue involving the SHAKAI SHIMPO report. Secretary General Yamaguchi and members of the Central Executive Committee met again this morning to discuss measures to cope with the situation.

In its 24 May edition SHAKAI SHIMPO carried a so-called declaration concerning the KAL incident, allegedly released by former ROK Prime Minister Kim Chong-yol. In this connection, the JSP officials unanimously agreed that SHAKAI SHIMPO neither had the declaration confirmed by former Prime Minister Kim himself nor gathered sufficient material to substantiate it. They further agreed that there was a strong feeling that the report was incorrect.

On this basis, they decided to have the issue settled by taking the following actions: retracting the SHAKAI SHIMPO report and apologizing for it in the paper; taking punitive actions against the SHAKAI SHIMPO officials concerned including their replacement; and, in case the ROK Government lodges a formal protest with the JSP, the party will apologize by explaining the series of measures taken.

The JSP leadership plans to draw a final conclusion on the issue as early as possible after the three top executives including Chairwoman Doi conduct further consultations. In any case, the party wants to bring the issue to a settlement in the next few days.

JSP Decides 'To Sack' Editor

*OW2605110888 Tokyo KYODO in English 0932 GMT
26 May 88*

[Text] Tokyo, May 26 KYODO—The Japan Socialist Party provisionally decided Thursday to sack the editor of its official paper for a controversial report which triggered a sharp South Korean reaction, JSP officials said.

Its Central Executive Committee will give a formal go-ahead to the dismissal of Takeshi Ishida at a meeting Friday.

Masakatsu Takagi, chief of the Party Organ Bureau, will be given a stern warning, the officials said.

The JSP leadership also decided to delete the report and print an apology in an edition next Tuesday.

The SHAKAI SHIMPO newspaper Tuesday quoted former South Korean Prime Minister Kim Chong-yol as saying the U.S., Japanese, Bahrain and South Korean governments had conspired to bomb a Korean Air (KAL) plane with 115 people on board last November.

Kim was quoted as saying the four governments took the action to ensure the victory of No Tae-u in the presidential election last December.

But Kim strongly denied making such a statement and South Korea's Foreign Ministry expressed regret over the report and called for its correction Thursday.

JSP executives at a meeting Thursday said the report was written without contacting the former South Korean prime minister to confirm whether it was correct.

They said the report was not appropriate at a time when the major opposition party is trying to improve relations with South Korea.

The JSP has friendly relations with North Korea and South Korea regards the party as hostile.

However, South Korea this month allowed for the first time a JSP Dietman, Kenjiro Kawamata, to enter Seoul on Wednesday as a member of a suprapartisan Diet member's group to inspect facilities for this year's Seoul Olympic Games.

At a press conference upon his arrival at Kimpo Airport Wednesday night, Kawamata apologized for the report.

Textile Groups Accuse South Korea of Dumping

*OW2605083888 Tokyo KYODO in English 0803 GMT
26 May 88*

[Text] Tokyo, May 26 KYODO—Two major Japanese textile industry groups will file a suit with the Finance Ministry in June complaining that South Korean textile makers are selling sweaters and cardigans at unfair prices in Japan, industry sources said Thursday.

The two groups, the Japan Knitting Industry Association and the Japan Textile Federation, which are filing the suit under the Tariff Law, say the dumping of the products is seriously damaging the domestic textile industry.

After the suit is filed, the Finance Ministry will investigate the case together with the Ministry of International Trade and Industry.

If the investigation finds the South Korean textile firms are selling their products at unfair prices, antidumping duties will be imposed, the sources said.

In a previous similar case, the Japan Spinners' Association filed a suit against South Korean cotton yarn makers in 1982, but the concerned industries in the two countries reached a compromise agreement before the Japanese authorities concluded an investigation and the case was closed.

The sources said Japan imported some 39.5 million sweaters and cardigans from South Korea last year, up 26 percent from a year before, or nearly a half of the total imports of about 81.2 million such items.

They said, however, it is uncertain whether the Japanese authorities will probe into the case immediately after the suit is filed.

Japan is cautious about imposing dumping duties on products imported from the newly industrialized countries (NICs), because Japan itself is currently a target of dumping complaints from the U.S. and European Community member countries, they said.

Takeshita Meets Outgoing PRC Ambassador
*OW2505121488 Tokyo KYODO in English 1030 GMT
25 May 88*

[Text] Tokyo, May 25 KYODO—Outgoing Chinese Ambassador to Japan Zhang Shu told Prime Minister Noboru Takeshita on Wednesday that Chinese leaders and the Chinese people are looking forward to Takeshita's visit to China in August, a Foreign Ministry official said.

The Chinese ambassador, who is to leave the post June 1, paid a visit to Takeshita at the prime minister's official residence and had talks lasting 25 minutes, the official said in a briefing.

Zhang, who had been in the post since September 1985, said bilateral relations are important not only for the two countries but also for the peace and stability of the whole Asia and Pacific region.

He said bilateral relations have developed in every field during his term as ambassador and pledged to do his utmost for further progress in bilateral relations after he returns to China.

Yang Zhenya, director of the Chinese Foreign Ministry's Asian Affairs Department, is to replace Zhang.

Uno Meets With Ambassador

*OW2505131988 Tokyo KYODO in English 0941 GMT
25 May 88*

[Text] Tokyo, May 25 KYODO—Outgoing Chinese Ambassador to Japan Zhang Shu expressed hope Wednesday that Japan-China relations will further develop through Prime Minister Noboru Takeshita's visit to Beijing scheduled in late August.

Zhang also said that he is confident that bilateral relations will advance through the two countries' efforts based on the spirit of the 1978 Japan-China Peace Treaty and the 1972 Joint Communiqué.

He made the remarks when he met with Foreign Minister Sosuke Uno before leaving Tokyo next Wednesday, Foreign Ministry officials said.

Uno thanked Zhang for his efforts to promote friendly ties between the two countries.

The foreign minister also said that he hopes the question of compensation for the victims of the Shanghai train crash in March, in which 26 Japanese high school students and one teacher died, will be smoothly settled.

Yang Zhenya, former director of the Asian Affairs Department of the Chinese Foreign Ministry, will succeed Zhang as ambassador in Tokyo.

Friendship Accord Signed With PRC University
*OW2505132988 Tokyo KYODO in English 0912 GMT
25 May 88*

[Text] Kitakyushu, May 25 KYODO—Kitakyushu University and the Dalian Institute of Foreign Language in China signed an agreement Wednesday to promote friendship through exchanges between the two universities.

The signing ceremony was held between representatives of the two schools at Kitakyushu University.

The agreement calls for a student exchange program, exchange of academic materials and library books, continuation of an exchange teacher program.

The two universities have been exchanging teachers since May 1984.

Yugoslav Prime Minister Mikulic Begins Visit
*OW2505084088 Tokyo KYODO in English 0817 GMT
25 May 88*

[Text] Tokyo, May 25 KYODO—Yugoslav Prime Minister Branko Mikulic arrived Wednesday for a four-day official visit which includes meetings with Emperor Hirohito and Prime Minister Noboru Takeshita.

He is the first Yugoslav leader to visit Japan since 1968 when President Josip Tito came to Japan.

Mikulic, accompanied by his wife, is scheduled to meet Takeshita on Thursday afternoon, foreign ministry officials said.

He will meet the emperor Friday noon and then give a press conference at the Japan National Press Club.

The prime minister and his party will leave for Kyoto, an ancient capital in western Japan, for a sight-seeing trip later Friday and leave for home from Osaka the next day.

Meets With Takeshita

OW2605120188 Tokyo KYODO in English 1118 GMT
26 May 88

[Text] Tokyo, May 26 KYODO—Yugoslav Prime Minister Branko Mikulic indicated Thursday he will convey to North Korea Prime Minister Noboru Takeshita's concern about possible terrorist acts during this year's Seoul Olympics.

Mikulic, who arrived for a four-day visit to Japan on Wednesday, dropped the hint when he met Takeshita at his official residence, Japanese officials said.

The two leaders chiefly discussed the international situation and bilateral economic cooperation during the talks which lasted for one hour and 20 minutes.

The officials said the two agreed that a successful Olympics will be important for peace and security on the Korean peninsula and that the two countries will promote antiterrorism measures.

Mikulic said antiterrorism measures are what the international community should seriously consider and indicated his country will exert its own efforts for that purpose, including an appeal to North Korea, they said.

The Yugoslav leader urged Takeshita to strengthen Japan's economic cooperation with his country, including expansion of joint ventures.

He also asked Takeshita to help solve debt problems developing countries are facing by proposing an international creditor nations conference.

Takeshita pledged to extend cooperation to Yugoslavia and added Yugoslavia will be one of the countries to receive Japanese funds under Japan's 30 billion dollar trade surplus recycling program, the officials said.

Stresses Ties at Banquet

OW2605121188 Tokyo KYODO in English 1125 GMT
26 May 88

[Text] Tokyo, May 26 KYODO—Yugoslav Prime Minister Branko Mikulic said Thursday his government places a high priority on expanded economic exchanges with Japan and called for more Japanese cooperation with Third World countries.

Mikulic, who arrived for a four-day visit to Japan on Wednesday, made the statement in a speech at a dinner given in his honor by Prime Minister Noboru Takeshita at his official residence.

He said Yugoslavia as a nonaligned, developing country hopes U.S.-Soviet dialogue will be instrumental in solving serious economic problems the developing countries are facing.

Mikulic said he greatly appreciated Japan's active and constructive efforts to solve international economic problems.

The Yugoslav leader urged Japan to further cooperate with Third World countries by helping them in their development projects and transferring sophisticated technologies to them.

Takeshita said in a speech that Mikulic is determined to promote domestic economic development and improve the quality of life for all Yugoslavians.

Mikulic is also making an ambitious effort to restructure the economy to better suit the new era, Takeshita said.

"I assure you Japan intends to render every possible cooperation," he said.

'Free Trade Zone' Inaugurated in Okinawa

OW2605083388 Tokyo KYODO in English 0633 GMT
26 May 88

[Text] Naha, May 26 KYODO—Japan's first so-called "free trade zone" was inaugurated Thursday in the Okinawan capital city of Naha, with the aim of promoting imports and spurring local development.

Twenty-seven firms, including one Taiwanese, will begin operations in July at the new 2.7-hectare duty free complex for imported raw materials and processing, pending state approval, zone administrators said.

The zone is made up of three buildings with a total floor space of 9,000 square-meters, as well as a 1,300-square-meter open storage facility, they said.

Firms securing space at the site can also build warehouses and processing plants for storage of imported materials adjacent to Naha Airport, they explained.

Under Japanese law, tariffs are calculated on the basis of the value of imported materials and not the goods into which the materials are processed within the new "free trade" area, thus allowing companies to avoid tariffs on the value added, they said.

Okinawans hope the tariff advantages offered by the new zone will translate into the development of Okinawa as a major manufacturing and processing center in the future.

Firms can also cut transportation costs on imported material brought to the zone as low domestic shipping rates will be applied to the Japanese main islands unlike the conventional direct import route from nearby Southeast Asia to the main islands.

Mongolia

Foreign Minister Leaves for Nicaragua
*OW2505141988 Ulaanbaatar International Service
in English 0910 GMT 23 May 88*

[Text] Mongolian Foreign Minister Dugersuren has left for Managua for an official visit of [word indistinct] at the invitation of the Nicaraguan Government.

On the completion of his visit, the foreign minister will attend as a guest a special foreign ministerial meeting of the Coordinating Bureau of the Nonaligned Movement in Havana, Cuba, and then will go to New York to attend a special session of the UN General Assembly on disarmament, leading the Mongolian delegation at the session.

Reportage on Visit

For Managua and Ulaanbaatar reportage on the visit to Nicaragua by Foreign Minister Mangalyn Dugersuren, including his meetings with Nicaraguan President Daniel Ortega and other government officials, see the Nicaragua section of the 25 May Latin America DAILY REPORT and subsequent issues.

Batmonh Congratulates Hungarian Leaders

Message to Grosz
*OW2305174388 Ulaanbaatar MONTSAME in Russian
1425 GMT 23 May 88*

[Text] Ulaanbaatar, 23 May (MONTSAME)—J. Batmonh, general secretary of the MPRP Central Committee and chairman of the MPR People's Great Hural Presidium, has sent Comrade Karoly Grosz, general secretary of the Hungarian Socialist Worker's Party [MSZMP], a congratulatory telegram on the occasion of his election as general secretary of the MSZMP.

The telegram expresses confidence that the fraternal relations and multifaceted cooperation between the MPRP and the MSZMP, and the MPR and the Hungarian People's Republic, will continue to develop and strengthen on the firm principles of Marxism-Leninism and socialist internationalism.

Message to Kadar

*OW2305174188 Ulaanbaatar MONTSAME in Russian
1427 GMT 23 May 88*

[Text] Ulaanbaatar, 23 May (MONTSAME)—J. Batmonh, general secretary of the MPRP Central Committee and chairman of the MPR People's Great Hural Presidium, sent a congratulatory telegram to Janos Kadar, chairman of the Hungarian Socialist Worker's Party (MSZMP), in connection with his election as chairman of the MSZMP.

The telegram notes that all Mongolian people highly assess the great contributions being made by Janos Kadar to the cause of the development of friendship and cooperation between the MPRP and the MSZMP, between the MPR and the Hungarian People's Republic (HPR), and between the peoples of the two countries.

The telegram says: Dear Comrade Janos Kadar, from my heart I wish you, the prominent leader of socialist Hungary, consistent internationalist, and ardent fighter for the cause of socialism, great successes in your activity directed at furthering the interests of the HPR and further strengthening the position of forces fighting for peace and social progress.

Lubsangombo Attends Architects Union Congress
*OW2505090288 Ulaanbaatar International Service
in English 0910 GMT 21 May 88*

[Text] The modern towns and settlements will be left for the future generations of our country as a cultural legacy of the people, showing them the phase of our present epoch. The significance of architectural creations in multiplying the material and spiritual roles of our society is enormous.

These were the remarks made at the Congress of Mongolian Architects by alternate Politburo member of the Mongolian People's Revolutionary Party Central Committee, Deputy Prime Minister Lubsangombo. He noted that the Congress substantiated the present spirit of architectural activities [words indistinct] and gave a fresh impulse to developing domestic architecture.

The First Congress of the Mongolian Architects' Union has ended its work in the Mongolian capital.

North Korea

Pyongyang Radio Reports 443d MAC Meeting SK2605062738 *Pyongyang Domestic Service in Korean* 0208 GMT 26 May 88

[Text] The 443d MAC meeting is now being held at Panmunjom at the request of our side. Our side had requested to the U.S. side that the MAC meeting be held at 1100 on 17 May; however, because of the U.S. side's delay tactics, the 443d MAC meeting has been delayed for 9 days.

At the meeting, our side is strongly protesting the U.S. imperialists' and South Korean puppets' repeated vicious military provocations of various forms against our side in the sky and on the ground and sea in flagrant violation of the Armistice Agreement.

According to the statements at the meeting by Major General Yi Tae-ho, senior member of our side, the South Korean puppets have committed armed provocations in the DMZ. At around 0710 on 10 May the South Korean puppet Army perpetrated on two occasions the vicious armed provocation act of firing many rounds of a large-caliber machinegun, aiming at a guard post of our side's civil and administrative police unit near (Okum-ri) in the estuary of the Imjin River. The bullets fired by the South Korean puppet Army fell on our side's guard post and in the vicinity of it and gravely threatened the safety of our soldiers who were on normal duty.

Lately, the South Korean puppet army not only has perpetrated firing at our side's guard posts in the DMZ, but has also introduced into the DMZ various types of heavy weapons, including guns and machineguns, on a large scale.

At around 1010 on 8 May, the South Korean puppet army introduced a 105-mm artillery gun into an area located 1,700 meters south of Military Demarcation Line marker No. 1048; and at around 0945 on the next day, 9 May, it introduced two 105-mm artillery gun into the same area. In this connection, in a telephone message sent to the U.S. side at 1651 on 9 May, our side demanded to the U.S. side that the act of introducing the heavy weapons be suspended immediately.

However, what did the U.S. side do? On the next 2 days, on 10 and 11 May, the U.S. side also introduced artillery guns into this area. On 12 May it introduced a 106.7-mm artillery gun into the (Kachilpong) guard post southeast of MDL marker No 1055 and deployed it there. After this, the U.S. side mobilized some 50 armed personnel there and had them to take a posture of attacking us. Then, the U.S. side, in its telephone message sent to our side on 13 May, tried to pretend as if the artillery gun were a water supply truck with (trailer) being introduced into the area.

Asking the U.S. side in return if it thought that our side could not discriminate between an artillery gun and a water supply truck from a distance of less than 2,000 meters with modern optical instruments, the senior member of our side stated that this is a shameless act which can be perpetrated only by those who go crazy with war preparations and is an intolerable mockery of us.

Then the senior member of our side revealed the fact that the enemies not only took the posture of firing at us with the artillery guns and machineguns introduced into the DMZ, but also perpetrated harsh language threatening our side's personnel, and gave detailed examples of this.

At around 1035 on 10 May, the South Korean puppet army deployed a recoilless gun and a large-caliber machinegun on the guard post located at an area 400 meters east of MDL marker No 0233 and took a posture of firing. Then, over a loudspeaker broadcast, the South Korean puppet army threatened to launch firing at our side's personnel, who were engaged in their normal fortification work.

A similar provocative act was perpetrated by personnel of the enemy side's guard post located at an area 1,900 meters southeast of MDL marker No 1180 at around 1010 on 5 May.

The U.S. side has constantly perpetrated grave military provocations against our side in the sky and on the ground and sea. Between 1100 and 1109 on 21 May, the U.S. imperialist aggressors infiltrated an SR-71 high-speed, high-altitude reconnaissance plane deep into the skies over the territorial waters east of Kosong of our country and flew it to the skies over the coastal area of Songpung County, North Hamgyong Province, to perpetrate aerial espionage against the northern half of the Republic.

Between approximately 1631 and 1750 on 11 May, the South Korean puppet clique committed the criminal act of infiltrating a naval combat ship deep into our territorial waters off (Changsonggo), chasing after a foreign ship sailing to Haeju port.

The senior member of our side stated. Our side has already protested to the U.S. side on many occasions for its infiltration of an SR 71 high-speed, high-altitude reconnaissance plane into the skies over the territorial waters of our country and for its infiltration of naval ships deep into our territorial waters. Our side cannot but regard as very serious the fact that, despite our demands for suspending such criminal acts, the U.S. side has recently perpetrated the military provocations against our side in the DMZ, in the skies, and on the ground and sea more frequently and more viciously than ever before.

He then strongly protested and condemned the U.S. side, saying that such military provocations committed by the U.S. side are flagrant violations of Articles 10, 12, 13c, 15, and 16 of the armistice agreement. Noting that, in a 21 May interview with reporters, the senior member of the enemy side clamored that we have deliberately aggravated the situation by concocting an incident, the senior member of our side condemned this as a shameless act designed to mislead public opinion.

He then asked the U.S. side: Is it not true that the U.S. side recently launched firing at our side in the DMZ? Is it not true that the U.S. side recently threatened us by introducing various types of heavy weapons into the DMZ?

Stating that because of the recent reckless military provocations of the U.S. side, the situation of our country is still tense and a serious situation in which war may break out at any time has been created in our country, the senior member of our side strongly protested to the U.S. side for its constant perpetration of various military provocations against us and strongly demanded that the U.S. side take responsible steps to prevent such criminal acts from taking place again.

The meeting is still in progress.

MAC Member Gives Interview in Panmunjom
SK2605071588 Pyongyang Domestic Service in Korean
0507 GMT 26 May 88

[Text] Major General Yi Tae-ho, senior member of our side, met with reporters from at home and abroad in the Joint Security Area of Panmunjom after the 443d MAC meeting concluded. Along with members of our side to the MAC, reporters from home and abroad; members of the Liaison Bureau of the Chinese People's Volunteers; the Czechoslovak, Polish, Swiss, and Swedish members of the Neutral National Supervisory Commission; and reporters of the enemy side were present at the press conference.

At the news conference, Major General Yi Tae-ho, senior member of our side, stressed that the situation on the Korean peninsula is very tense and that the U.S. side is responsible for this.

He went on to say: The situation in the DMZ is very tense today because the U.S. side is deliberately and flagrantly violating the Armistice Agreement. As inspired by the U.S. imperialists, on 10 May the South Korean puppet forces fired large-caliber machineguns inside the DMZ on the western front, thus destroying our side's guardposts and gravely threatening the safety of our soldiers. Recently, the South Korean puppet forces introduced 105-mm and 106.7-mm cannons and other numerous weapons into the DMZ on the eastern front. No fewer than approximately 10 large-caliber cannons have been introduced into this area by the South Korean puppet forces from 8-10 May. The situation inside the

DMZ has not been alleviated because of such military provocations and violations of the armistice agreement by the enemy. The U.S. side is also perpetrating military provocations against us in the air and on the sea, thus aggravating tension.

While stating that the situation on the Korean peninsula has not been alleviated also because the U.S. imperialists are strengthening military forces and conducting war exercises under the pretext of guaranteeing security for the Olympics, the senior member of our side said that as the Olympics approach, the war frenzies of the South Korean puppets become graver each day. After detailing the military buildup and war preparations maneuvers of the U.S. imperialists and South Korean puppets, he stated that the situation on the Korean peninsula is become more tense because of such maneuvers. He stressed that it is not we but the U.S. imperialists and the South Korean puppets who aggravate the situation and strengthen the danger of war, with the Olympics as an opportunity, and that it is also they who threaten the Olympics.

Stating that, nevertheless, the enemy babbles about someone else's hinderance of the Olympics, [word indistinct], or southward invasion, he said that all these remarks are nothing but sophistry designed to use the Olympics as an occasion for military buildup and new war preparations. He also said: Moreover, even the senior member of the U.S. side, contrary to his duties, babbles about the question of the Olympics. This shows how meanly they are maneuvering to use the Olympics for an impure political purpose.

After saying that, in today's conference, our side protested the U.S. side's violations of the Armistice Agreement and demanded that it take a responsible measure to prevent such incidents, the senior member of our side said that our demand is very just in view of the spirit of the armistice agreement and in view of the current situation prevailing inside the DMZ. He pointed out, however, that instead of guaranteeing the accomplishment of our demand, the U.S. side, while talking about armistice or hinderance of the Olympics, found fault with us.

After stressing that the overall task of the MAC is to discuss and deal with violations of the armistice agreement, the senior member of our side asked how in the world it can be propaganda to point out the facts as they are. He also stressed that this is nothing but shameless sophistry designed to conceal the military provocations that the U.S. side is perpetrating inside the DMZ and to justify the military buildup and new war preparations maneuvers that it is accelerating under the pretext of guaranteeing security for the Olympics.

After that, he answered questions asked by reporters from home and abroad.

Daily on South's Red Cross Letter Refusal
SK2605051288 Pyongyang KCNA in English
0506 GMT 26 May 88

[Text] Pyongyang May 26 (KCNA)—NODONG SIN-MUN today comes out with a signed commentary assailing the South Korean Red Cross for its formal refusal on May 24 to convey the letter of students in the northern half of Korea on North-South student talks to South Korean students.

The commentary says:

This reflects the anti-national stand of the No Tae-u group refusing North-South dialogue, detente and reunification and pursuing confrontation, war and division. It is another open challenge to the entire Korean people who aspire after national reunification.

The No Tae-u group has no other aim but to make dialogue its monopoly and use it for the extension of its power and its "two Koreas" plot. Herein lies the reason why the puppets obstruct North-South student talks, clamouring about "unified channel of dialogue."

The South Korean Red Cross showed once again that it is from a to z a marionette dancing to the drum-beating of the authorities in the separatist moves and "two Koreas" plot, when it refused to convey the letter, losing its independence.

The day is not far off when those who throw a wet blanket over the mounting sentiments for reunification, lay hurdles in the way of the movement for reunification and seek national division, will face justice.

Envoy Says Cohosting Games Still Desired
AU2605101888 Paris AFP in English 1005 GMT
26 May 88

[Text] Geneva, May 26 (AFP)—North Korea is still convinced that it can persuade South Korea to agree that the two countries co-host the 1988 Olympic Games, Pyongyang's U.N. ambassador Yi Chel [name as received] said here on Thursday.

The ambassador said the International Olympic Committee had again proposed that North Korea stage two complete disciplines and partly host three others.

Pyongyang has demanded that it get four complete competitions and partly stage two others. A sporting complex and football stadium is said to be under construction in the North Korean capital.

South Korea rejects the principal of co-hosting the games at all though it has offered North Korea some events.

The ambassador rejected what he called U.S., Japanese and South Korean "noises" that the Seoul games were threatened by North Korea. He said the real threat came from the internal situation in South Korea and the concentration of U.S. and Japanese forces.

Pyongyang Said To Invite Communist Leaders
SK2605035888 Seoul THE KOREA TIMES in English
26 May/88 p 1

[Text] Beijing (REUTERS)—North Korea hopes to host a meeting of Communist figures from around the world, including Soviet leader Mikhail Gorbachev, shortly before the Olympics begin in South Korea, diplomats said on Wednesday.

They will be invited to Pyongyang as guests of president Kim Il-sung, to celebrate the 40th anniversary of the founding of North Korea on Sept. 9.

"They have invited a galaxy of leaders, including Gorbachev and Fidel Castro," an Asian diplomat said. "I don't know if they will get Gorbachev but they have certainly invited him."

Cuba is one of a few countries to support North Korea's boycott of the Olympics, staged in protest at being denied the chance to co-hosting the Games with Seoul in September.

North Korea's main allies and financial supporters, the Soviet Union and China, have announced they will participate.

"North Korea needs the prestige of such a gathering after losing almost all support for its boycott," a second Asian diplomat said.

A North Korean embassy official in Beijing said Pyongyang was planning many activities to celebrate the 40th anniversary but he had no details of who had been invited.

Western and Asian diplomats said they doubted that Gorbachev would attend the national day celebrations.

They were also unsure who might represent China.

An informed Chinese source said Premier Li Peng, who was widely expected to make North Korea his first foreign visit since his appointment last month, now hopes to visit Pakistan first.

Western diplomats said a visit by Li to Pakistan could be seen as a snub to the North Koreans as their prime minister, Yi Kun-mo, made China his first foreign destination last year.

Ping-Pong Team Meets Press in Pyongyang
SK2505160088 Pyongyang KCNA in English
1530 GMT 25 May 88

[Text] Pyongyang May 25 (KCNA)—The team of the Democratic People's Republic of Korea which had returned from the Ninth Asian Table Tennis Championships in Japan in the middle of the games met with home and foreign reporters in Pyongyang Wednesday and denounced the insulting and insolent act taken by the Japanese reactionaries against our team.

Recalling that the Japanese Government authorities on May 19 made members of our team leave the hall in the midst of the meal, alleging that their attendance at the luncheon arranged by the Niigata mayor, Japanese lower house members, the General Association of Korean Residents in Japan and personages of other strata for our team is "a violation of the terms of their entry into Japan" and "a political activity," the team members told the reporters that this was an impudent and outrageous act unthinkable to anyone who has normal thinking power.

They said the Japanese reactionaries also let loose without hesitation right-wing gangsters to threaten the safety of our team aboard a bus.

They said they categorically refused to compete in the games and came back home, unable to participate in the games any more in Japan which encroached upon the sovereignty of our country, insulted our people and openly ignored international law and international usage in broad daylight.

They said now not only our people but also the Japanese people and the world people are infuriated at the unjustifiable act of the Japanese authorities.

When our women players reached the gymnasium to participate in the first matches on May 15, some 50 Japanese right-wing gangsters blocked the road with cars and threatened their safety, rapping at the bus windows with their fists and they barred our players from freely going from the gymnasium to the rehearsal place, said the members of our team. They said such vicious obstructions of the Japanese reactionaries and right-wing gangsters were intentional acts to obstruct success of our players at the competitions. They have participated scores of times in world and Asian championship and big international games in the past days but there had never been such an act as one in which the Japanese reactionaries and rightwing gangsters threatened the personal safety to players and restricted and controlled their sports activities, they noted.

Our team members made clear that the violation of the "terms of entry" claimed by the Justice Ministry of Japan is only a foolish sophism to cover up the crimes it committed at any cost.

If they Japanese authorities had raised it as "terms of entry" that our team members cannot share a meal in Japan with their fellow countrymen and friends whom they meet after a long separation, as they are claiming, we would not have gone to Japan.

They said with indignation that the behaviour of the Japanese authorities in suspending halfway the luncheon attended by the fellow countrymen they met in an alien land after a long separation, members of the House of Representatives of Japan, the incumbent mayor and other Japanese people was a very uncivilized, senseless and barbarous act knowing no elementary demand of human life.

They declared: We fully support the statement of the physical culture and sports guidance committee that the Japanese authorities must apologize for their impolite and insulting acts defying international law and usage against the DPRK team and as long as they fail to do so, we would have no dealings with Japan.

Paper Comments on Report in JSP Paper

SK2605090188 Pyongyang Domestic Service in Korean
0007 GMT 24 May 88

[NODONG SINMUN 24 May commentary: "Stop the False, Fabricated Report Against Us"]

[Text] Not satisfied with viciously slandering us, Japan's SANKEI SHIMBUN repeatedly made false, fabricated reports. While listing 20 possible acts which we may undertake to disturb the Olympics, SANKEI SHIMBUN recently made false, fabricated reports about military action along the DMZ, destruction of facilities related with the Olympics, and a terrorist act against athletes and tourists.

This is indeed preposterous and groundless sophism, and again shows the ugly nature of this newspaper. We cannot tolerate SANKEI SHIMBUN's systematic, false report slandering us.

This newspaper fabricated more than 20 false reports to smear our country since the beginning of the year. It even insulted our nation's social system and made malicious propaganda as if an abnormal situation is taking place. Furthermore, in an attempt to disturb our people's struggle for national reunification, this newspaper made a false, preposterous report that we accepted the plan for simultaneous entry into the United Nations.

How frantically the paper is adhering to falsehood and fabrication is shown by the fact that it reported as if we met with the South Korean authorities and embarrassed even the puppets, who later denied this report. Such reporting by this newspaper, which totally runs counter to the original mission of the newspaper, truly astonishes us.

Why is this newspaper running amok so frantically to smear us while fabricating preposterous reports? SANKEI SHIMBUN's false, fabricated report, which infringes upon even the basic moral principles of a newspaper, is a vicious antagonistic act against our Republic and a mean smear act committed in accordance with the anti-Republic policy of the South Korean puppets and the reactionary Japanese Government.

SANKEI SHIMBUN's false, slanderous reporting against our country always keeps step with the vicious anti-Republic maneuvers of the U.S. and Japanese reactionaries and the South Korean puppets.

When the South Korean puppets concocted the incident of a missing South Korean passenger aircraft in collusion with the U.S. and Japanese reactionaries, SANKEI SHIMBUN raved even before the puppets as if we were responsible for the incident. When the South Korean puppets frantically opposed and slandered our people proposal for holding North-South high-level political and military talks, the newspaper recklessly insulted our sincere peace proposal, describing it as camouflage peace offensive and noted that a dangerous plot was hidden behind the proposal.

SANKEI SHIMBUN made a mean report even in early February. Reporting that an abrupt mobilization of troops was taking place in our country, the newspaper noted that trucks carrying troops and weapons were heading for the South in succession, that a large number of troops were being assembled near the Military Demarcation Line and so forth, thus making a preposterous false report.

Timed to coincide with the fact that the aggressor forces are being reinforced and war maneuvers are being frantically strengthened in South Korea by the U.S. and Japanese reactionaries and the South Korean puppets on the pretext of the security of the Olympics, SANKEI SHIMBUN is waging a ridiculous smear campaign.

One such smear campaign is the so-called 20 possible acts for obstructing the Olympics. Undoubtedly, such a report is the smear campaign designed to keep tune with the U.S. and Japanese reactionaries and the South Korean puppets who put forth a preposterous excuse for the so-called security of the Olympics while frantically attempting to abuse the Olympics for division and war.

All facts clearly show that SANKEI SHIMBUN has been reduced to a means for a smear campaign by the Japanese reactionaries and the South Korean puppets and, at their manipulation and speaking for their will, that it repeatedly makes reports that preposterously slander our country.

A newspaper should be a just spokesman of a society's public opinion. However, SANKEI SHIMBUN, discarding the original mission of a newspaper, is acting as a mean stooge of the Japanese reactionaries and the South Korean puppets while attempting to curry favor with them.

The act of selling its writing for a certain amount of money by SANKEI SHIMBUN, which serves as a stooge for the Japanese reactionaries and the South Korean puppets—vicious colonial puppets of the U.S. imperialists and incomparably ugly figures—is indeed shameful. This is a mockery of the sacred press.

It is no accident that SANKEI SHIMBUN unhesitatingly perpetrated such an act. From the very beginning, SANKEI SHIMBUN was an excessively reactionary paper controlled by Japanese monopolistic capital and was an extremely vulgar paper bought over by the South Korean puppets at an early date. It is well known that this newspaper, which does not have many readers, is operated by money given by monopolistic capitalists and that the faithful agents of the monopolistic capitalists hold all important posts of this newspaper.

It is no secret that this newspaper was bought off by the South Korean puppets even when former South Korean dictator Pak Chong-hui was in power and that those who hold key positions of this newspaper conspire with the puppets by frequently visiting South Korea and receiving money from them.

No matter how many times a crow may caw, it cannot change its tune. It is clear to everyone that such an ugly newspaper as SANKEI SHIMBUN only carries useless and nonsensical reports which merely please the reactionary Japanese monopolistic capitalists who rule this newspaper and the South Korean puppets who bought it off.

There is no place in pressdom to stand for such a dirty newspaper as SANKEI SHIMBUN, which has in fact lost the value as a newspaper. The idea by those who bought off SANKEI SHIMBUN and inspire this paper to make false, preposterous reports against our country by manipulating it that they can damage the lofty dignity of our Republic and slander and defame our country is a miscalculation.

We are not sure how much money SANKEI SHIMBUN received for false, fabricated reports against our country; however, this paper should clearly realize that because of such ugly acts, it is merely disgracing itself.

U.S.-South Pre-Olympic Drills Criticized
SK2605051088 *Pyongyang KCNA in English*
0501 GMT 26 May 88

[Text] *Pyongyang May 26 (KCNA)*—The Secretariat of the Committee for the Peaceful Reunification of the Fatherland in its Information No. 474 May 25

denounces the criminal sabre-rattling plan of the U.S. imperialists and the South Korean puppets to abuse the 24th Olympic Games for war purposes.

The information says:

According to THE WASHINGTON POST May 23, during the "Seoul Olympics", U.S. imperialist aggression forces more than 43,000 strong in South Korea and the entire forces of the puppet Army will reportedly be placed on a "full-dress alert," the U.S. Air Force fighter planes in Japan be deployed in South Korea additionally and one or two U.S. aircraft carriers continue to navigate in the waters around South Korea to threaten us.

The paper also disclosed that the U.S. imperialists and the puppet clique have organized and trained over the past 6 years an "anti-terrorist commando of the police" estimated at 1,000 men to be used during the "Seoul Olympic" games and, recently, held its "demonstration exercise."

This is another clear proof that they intend to find a pretext while staging military exercises after massing large armed forces in and around South Korea and mount an all-out attack on our republic and to shift the blame for the failure of the Olympics on to us.

Unpardonable are the criminal acts of the U.S. imperialists and the No Tae-u group in seeking to provoke a new war by abusing the Olympics.

Daily Demands End to 'Smear Campaign'
SK2605051688 Pyongyang KCNA in English
0509 GMT 26 May 88

[Text] Pyongyang May 26 (KCNA)—NODONG SINMUN today comments on the frantic anti-DPRK smear campaign launched by the U.S. and Japanese reactionaries and the South Korean puppets through subsidized newspapers and magazines in tune with each other on the pretext of "obstruction to the Olympic games" and "Olympic terrorism."

In a signed commentary the paper says:

The "Olympic terrorism" clamoured about by the U.S. and Japanese reactionaries and the South Korean puppets was a sheer lie invented to mislead public opinion with new fabrications and suppositions and thus attach the label of "terrorist" to the DPRK at any cost and use the Olympics for their foul political and military purpose.

They are making a hue and cry about "terrorism and threat" by the DPRK, fearful of the consequences of their moves to use the Olympiad for their sinister political and military purpose contrary to its basic spirit and idea of promoting peace, friendship and harmony among nations.

They are frantically kicking up a row about "Olympic threat" with the advent of the Olympic games. In this they seek to invent a pretext for launching a military provocation against the DPRK by shifting the blame for the failure of the Olympics on to the DPRK if it will not go as they wish as a result of the worsening of the crisis in South Korea.

They are shouting themselves hoarse about fictitious "Olympic terrorism and provocation" from the North as a makeshift artifice to threaten the South Korean people with "invasion from the North" and divert their attention elsewhere and thereby quell the rising anti-U.S., anti-fascist fighting spirit and get the situation under control.

The U.S. imperialists and the Japanese reactionaries must put an end to their anti-DPRK smear campaign and moves for the permanent division of Korea under the pretext of 'quaranteeing the olympic security' and give up their criminal attempt to use Olympics for their aim of aggression, war and militarist expansion.

We are closely watching their ill-boding rackets and military moves.

SKNDF Director on North-South Student Talks
SK2605050488 Pyongyang KCNA in English
0456 GMT 26 May 88

[Text] Pyongyang May 26 (KCNA)—The director of the youth and student department of the "South Korean National Democratic Front" (Hanminjon), in a press statement May 20, demanded that the South Korean authorities stop obstructing the righteous movement of patriotic students for reunification and provide all conveniences for a success of the June 10 North-South student talks, according to radio "Voice of National Salvation."

He noted that the students in the North lost no time in holding a national joint rally of students and, highly estimating the "May 14 offer" of South Korean students as a patriotic initiative conforming to the nation's desire for reunification, expressed full approval and support for it and formed even a preparatory committee to make full arrangements for the talks.

Recalling that the South Korean side refused to convey a letter of students in the North to those in the South, he stressed:

Our "Hanminjon" vehemently denounces this despicable act of the No Tae-u group as a heinous challenge to our students and the whole fellow countrymen and an unpardonable treacherous act of laying new hurdles in the way of national reunification.

Our students who have readily laid down their youth and lives on the altar of national reunification and national salvation, crying "Reunification is our wish," will pull down whatever barriers in their way and bring the June 10 North-South student talks to a success at any cost.

All the people who want reunification should support and encourage with all sincerity the struggle of patriotic young intellectuals, he stressed.

South's Release of Student Spy Viewed
SK2605105888 Pyongyang KCNA in English
1040 GMT 26 May 88

["Deceptive 'Release' of Japan-born Korean youth"—KCNA headline]

[Text] Pyongyang May 26 (KCNA)—The South Korean military fascist clique "released" So Chun-sik, a Japan-born Korean student who was studying in South Korea, at dawn May 25, after replacing the "care and custody for the preservation of public peace" upon him as the "limitation of the place of residence", according to a report from Seoul.

He had been suppressed on charge of involvement in the "campus spying case."

Thus, his residential quarter was limited to the house of a cousin by his father's sister in the third Chonho-dong Kangdong District, Seoul.

It is nothing but the transfer of So Chun-sik from one prison to another to deceive the people and lull the growing public opinion, not "release".

The No Tae-u group staged such deceptive "release" drama, yielding to the loud voices of the South Korean people and overseas compatriots demanding his release.

The No Tae-u group tries to deceive people with the formal "release" farce to lull their resistance spirit. But, there is no one to be cheated by this.

Rescue Group Demands Release of So Brothers
SK2505154588 Pyongyang KCNA in English
1520 GMT 25 May 88

[Text]Pyongyang May 25 (KCNA)—"Save the So Brothers Society" in Japan demanded the No Tae-u fascist clique to release So Sung and his brother So Chun-sik, according to a "KNS" report.

Noting that the brothers have been kept in prison for 17 years, the organization said: The So brothers were arrested on the charge of being "spies". The purpose on their arrest by the South Korean authorities was to suppress the student movement. The movement called for the enforcement of a democratic policy by removing Pak Chung-hui from the "president" and realization of interchange between the North and the South.

So Sung had suffered burns in 45 percent of his body during the interrogation. So Chun-sik served out his prison term in May 1978, but after that he was kept in prison for ten years by the "Social Security Law". The So brothers have upheld their conviction of democracy and national reunification in defiance of any torture and suppression. The "Social Security Law" is suppressing elementary human rights and freedom of consciousness. Saying that the case of the So brothers is a symbol of the suppression of the struggle for democracy and of human rights in South Korea, the organization exposed that the fascist clique is hatching up a trick to cover up their suppressive policy.

Economist Urges Increasing Nation's Assets
SK2505220788 Pyongyang KULLOJA in Korean
No 2 Feb 88 pp 68-72

[Article by Han In-ho: "Constantly Increasing the Nation's Assets is an Important Demand That Should Be Observed in Socialist Economic Management"]

[Text] Today our party stresses the constant increasing of the nation's assets by accelerating production and construction and improving the economic management in all domains of the national economy in accordance with the principle of socialist expansion and reproduction.

Today when the entire party and people are vigorously waging the struggle to accomplish the militant tasks put forth by the great leader Comrade Kim Il-song in his New Year message, the constant increasing of the nation's assets is of great significance in strengthening the nation's economic foundation and further enhancing the people's living standard.

Last year our people registered brilliant labor exploits in the first march of great socialist construction under the wise guidance of the party and the leader by demonstrating matchless heroism, thus making a breakthrough in implementing the Third 7-Year Plan. To build a socialist material and technological foundation for a powerful nation equipped with modern technology, developed in many ways through the vigorous struggle to implement the Third 7-Year Plan, and to upgrade the people's material and cultural life corresponding socialist society with complete victory, the nation's assets should be constantly increased in all domains of the national economy.

The great leader Comrade Kim Il-song has taught: Frugally keeping house by constantly increasing the assets of the nation and society, and at the same time by valuing and tenderly caring for the already-built assets, is important. ("The Collected Works of Kim Il-song," Vol 19, p 524)

The nation's assets in socialist society are the foundation for the permanent independent national development and are the precious social common assets which ensure the people's happy material and cultural life.

In socialist society, where the people have seized the nation's sovereignty and production means, all properties and natural resources possessed by society and groups constitute the nation's assets. From the standpoint of material wealth of a society, all forms of properties of the nation and cooperative groups—including fixed and liquid properties from the workers' creative labor—belong to the nation's assets.

In socialist society, the nation's assets are the assets of the working masses and are used for making the nation strong and making it develop, as well as for promoting the welfare of the working masses. In a capitalist society, where the basic portion of the people's wealth—including the production means—has been seized by the exploiting class, this portion is used to exploit the sweat and blood of the working masses. Therefore, the effective use of the people's wealth in capitalist society means more cruel exploitation of labor by capital.

Contrary to this, in a socialist society, as the nation's assets increase, the nation becomes wealthy and strong so as to properly manage and effectively use such assets, and the workers' material and cultural welfare is also promoted. Thus, increasing the nation's assets in socialist society becomes a common interest of society, and all members of the society actively struggle to expand such an interest with earnest concern. Furthermore, in a socialist society the state controls production, distribution, accumulation, and consumption in a unified manner and implements them according to plans. Thus, socialist expansion and reproduction can be continuously carried out on a large-scale and the nation's assets can be constantly increased.

The essential problem arising in continuously increasing the country's wealth, utilizing these advantageous conditions and potentials provided by the socialist system, is to further improve economic management in conformity with the requirements of the developing reality.

This is connected, above all, with the fact that continuously increasing the country's wealth is one of the important objectives of economic management in socialist society.

The country's wealth in socialist society is further increased by the creative labor and struggle of the working popular masses, who have become the masters of the state and society. The country's wealth increases further in proportion to the increase in the gross production of society and national income, and increases even further through the process of rationally distributing and utilizing the gross production of society and national income that have already been created and of effectively utilizing the country's human and material resources.

How to strengthen the function of these factors in increasing the social wealth largely depends, after all, on economic management.

In a socialist society, economic management is the social function for reasonably organizing and commanding the process of people's collective labor and economic activities so as to obtain greater economic success with less expenditure. Its major objective is to rationally organize and command the workers' independent and creative labor life to continuously ensure expanded socialist reproduction.

With the progress of socialist construction, expanded reproduction can be pushed ahead on a larger scale only when the social labor process is rationally organized and commanded in conformity with the enhancement of the level of the socialization of production, the enlargement of the economic scale, and the enhancement of the standard of technology and equipment. Therefore, the more we improve economic management, the more we can direct people's independent and creative labor toward continuously increasing the country's wealth and make that labor thoroughly serve it.

In particular, we should improve socialist economic management so that we can continuously increase the country's wealth by correctly embodying the requirement of the socialist economic law and vigorously accelerating production and construction.

The socialist economic law clearly sets forth ways to develop the economy in conformity with the independent demands and interests of the popular masses—the masters of production and management—and to continuously increase the country's wealth by satisfactorily ensuring the balance and speed of expanded reproduction. Only when we correctly embody the requirements of the socialist economic law and rationally establish the essential relationship among all economic processes can we smoothly carry on social production and vigorously accelerate economic construction.

Today, continuously increasing the country's wealth is a more urgent demand to be solved in the field of economic management, which is being conducted on a new higher stage of socialist economic construction.

The economic base that has been provided in our country under the wise leadership of the party and the leader is mighty, and its productive potential is very great. If we further improve economic management, strengthen the self-reliance and independence of the national economy, and demonstrate its vitality, we can successfully carry out the task of economic construction, no matter how enormous it may be.

The better we improve economic management, thereby properly managing facilities, materials, labor, and finance and correctly conducting production guidance, the more we can produce with available resources and increase the country's wealth.

Therefore, improving economic management is an important guarantee for increasing the country's wealth, and struggling to expand the state wealth is the attitude of struggle which our functionaries and workers should have.

Experience shows that if our functionaries and workers wage a steadfast and positive struggle to continuously increase the country's wealth, they can continuously increase it, no matter how difficult and complicated the conditions may be.

After the war, rising like the phoenix from the ashes in which everything was destroyed, our people actively struggled to realize the nation's firm economic foundation under the great leader's wise leadership and built a self-reliant and developed national economy. Thus, they were able to constantly increase the nation's assets. In particular, even when our revolution was undergoing an arduous trial—and antiparty and antirevolutionary factionalists were attempting to ruin everything, while opposing the party's line for economic construction—our people accelerated economic construction and consolidated the nation's economic foundation in firm unity with the great leader by tightening their belts and even saving pennies.

Indeed, the nation's assets increased on an enormous scale and at unprecedented speed under the wise leadership of the great leader and the party, from the time of the first building of a new society after the liberation up to the present.

Today, when the nation's economic foundation has been firmly consolidated and production potentials have been exceedingly strengthened, if our functionaries and workers constantly increase the nation's assets by improving economic management, they can strengthen the socialist system by vigorously accelerating economic construction and demonstrate more highly the superiority of the socialist system.

What is most important in constantly increasing the nation's assets by improving the economic management is for economic functionaries to have correct consciousness of the principle of socialist expanded reproduction.

The great leader Comrade Kim Il-song has taught: The socialist country grasps production, distribution, accumulation, and consumption in a unified manner and implements them in accordance with the plans. Thus, it can direct a large amount of funds to accumulation and

use them most reasonably. As a result, the socialist expanded reproduction can be constantly carried out on a large scale. ("The Collected Works of Kim Il-song," Vol 23, page 446)

Expanded socialist reproduction is a course in which social production is constantly repeated and renewed on a larger scale in line with independent aspirations and demands of the working masses. Its purpose is to satisfy to the maximum the constantly increasing material and cultural demands of the workers. In the course of socialist expanded reproduction, overall social products and the national income that constitute the nation's assets will rapidly increase and a firm foundation for such an increase will be realized. Therefore, without expanded reproduction, no one can mention the issue of constantly increasing the nation's assets nor think of a bright prospect for the people's living standard.

Only the functionaries who have the correct consciousness of the principle of socialist expanded production will make efforts to effectively use the existing materials by assuming a firm position of increasing the nation's assets at any cost. When the economic guidance functionaries do not have the correct awareness of the principle of socialist expanded reproduction, they are apt to indiscreetly use the nation's precious economic assets and to exercise negative influence over the development of the national economy and the upgrading the people's living standard.

For economic guidance functionaries to have a correct awareness of the principle of socialist expanded reproduction, they should deeply study and understand the great leader Comrade Kim Il-song's teaching on socialist economic construction and our party's line and policy for economic construction—including the basic line of socialist economic construction, which is the embodiment of the great leader Comrade Kim Il-song's teaching. The respected leader Comrade Kim Il-song's teaching and the party's line and policy elucidate not only the principle of socialist expanded reproduction but also all theoretical and practical issues arising in socialist economic construction, as well as the methods for resolving such issues. Only when economic guidance functionaries arm themselves firmly with our party's lines and policies can they have the correct awareness of the principle of socialist expanded reproduction and more highly demonstrate the revolutionary passion and creative activeness to increase the nation's assets.

Improving labor productivity is also important in continually increasing state assets by improving economic management.

The growth of labor productivity is a decisive guarantee for rapidly developing production and a precondition for increasing state assets. The process of increasing state assets is the process of increasing production, that is, the process of increasing labor productivity. As labor productivity is increased, the gross production of society

and the national income are increased accordingly and state assets are increased more rapidly and more abundantly. The question of increasing state assets is closely related to increasing production. Production can be increased by the growth of labor productivity.

The growth of labor productivity plays a very important role in rapidly increasing production at present. Reflecting this demand of the developing times, our party presented for the Third 7-Year Plan the task of increasing labor productivity 1.6 times in the industrial sector and 1.5 times in the basic construction sector and of guaranteeing more than 80 percent of the gross industrial production through increased labor productivity. This task reflects our party's firm will to more vigorously accelerate the country's economic development by increasing labor productivity.

To increase labor productivity, which plays such a significant role in increasing production, the workers' level of ideological will must be further increased and technological development must be accelerated. Because man's idea determines everything, as the ideological will of the working masses is increased, they will positively display conscious enthusiasm and creative abilities in production and management and will fulfill their responsibility and role as masters of production and management. In addition, as technology develops, even while human labor is being saved, more material wealth can be created for specific times.

Today, when conditions for labor are tense as the industry and other overall sectors of the people's economy are being rapidly developed, increased labor alone cannot satisfactorily guarantee the growth of production, and state assets cannot be endlessly increased. As they did in the past, all the sectors and units of the people's economy must increase production by increasing labor productivity through enhancing the workers' ideological and consciousness level and by devoting efforts to technological development.

In order to increase state assets by improving economic management, it is also important to thoroughly adhere to the principle of continuously expanding production by way of rapidly circulating capital.

Because the commodity-money relations also exist in socialist society, reasonably using capital is a necessary condition for satisfactorily realizing reproduction on an expanded scale and increasing state assets.

Labor, facilities, material, and capital are necessary for realizing reproduction on an expanded scale. This is related to the fact that monetary capital plays various functions and guarantees and controls the procedure of implementing plans.

Distribution must be well organized to rapidly circulate capital. Money tends to circulate. Therefore, only when distribution is well organized can money satisfactorily

play its function and positively accelerate production. Plants and enterprises must, without fail, organize and effect monetary circulation after concrete calculations to ensure that monetary capital above the amount of the seed money that was invested in production will be accumulated.

To endlessly circulate capital, not only must distribution be well organized but also the speed of distribution must be increased. The present situation where socialist economic construction is being carried out on a grand scale demands that the speed of the circulation of monetary capital be further increased accordingly. The more the speed of the circulation of capital is increased, the more can be produced and built with the same amount of capital and the further state assets will be increased. Presenting as an important goal the task of increasing the speed of the circulation of capital in all the stages, from mapping out financial plans to carrying out and summing up these plans, all the sectors and units of the people's economy must, without a hitch, organize and command works—that are carried out according to plans—and production to ensure that capital spent will be rapidly recovered, used, and increased.

The demand for expanding production by way of rapidly circulating capital must be firmly adhered to in using foreign currency capital.

To continually increase state assets, not only new seed capital must be provided but also efforts must be devoted to saving as much as possible of the seed capital provided and not wasting it.

Properly resolving the mutual relations between accumulation and spending is one of the important ways to continually increase state assets.

In a socialist society, both accumulation and spending are used in guaranteeing the popular masses' independent and creative activities. However, if the mutual relations between accumulation and spending are not resolved properly, state assets cannot be continually increased and the people's lives cannot be systematically improved.

Because accumulation and spending are two aspects in using the national income, if emphasis is given to one of them, this will exercise a negative effect on the other. If emphasis is given to accumulation in order to strengthen the economic foundation, the share for spending will be decreased and thus, the workers' material and cultural demands cannot be met. On the contrary, if emphasis is given to spending, the economic foundation of the country cannot be strengthened, production cannot be rapidly expanded, and in the long run, state assets cannot be increased and the people's lives cannot be systematically improved.

The most scientific way to properly resolve the mutual relations between accumulation and spending is to thoroughly adhere to a principle in the distribution of the national income, a principle of guaranteeing the preferential growth of accumulation and of simultaneously increasing spending according to our party's policy. The principle of the balanced guaranteeing of accumulation and spending, a principle presented by our party, is the most reasonable and positive principle concerning maintenance of a balance that helps simultaneously resolve the questions of accelerating economic construction and of improving the people's lives by guaranteeing the level of reproduction on an expanded scale and its speed on a high level based upon the close relations between accumulation and spending and positive mutual reaction between them.

Continuously adhering to this creative principle of maintaining a balance between accumulation and spending is a firm guarantee for continually increasing state assets by guaranteeing a high speed in reproduction on an expanded scale.

The national income is the basis of accumulation and spending. Only under circumstances in which the national income systematically grows, can the principle of preferentially increasing accumulation and of simultaneously increasing spending be firmly adhered to. Measures must be taken in all the sectors and units of the people's economy to decisively reduce non-productive labor, to increase productive labor, and to increase the employees' per capita net production.

In addition, the national income must be well distributed and directions in investment in basic construction must be well stipulated to ensure that the growth of productive accumulation will be guaranteed compared to non-productive accumulation. Only then, while the expansion of production is being preferentially guaranteed, can social and cultural demands be satisfactorily fulfilled.

As a struggle is being positively waged in our country under the wise leadership of the party and the leader to build important construction projects, including the Sunchon vinylon complex, and to complete the rural thesis, socialist material and technological foundations are being further strengthened and bright prospects for more abundantly resolving the people's lives are being opened.

Guidance functionaries in all the sectors and units of the people's economy, while upholding the struggle tasks presented by the great leader Comrade Kim Il-song during his New Year address must further improve economic guidance and enterprise management in compliance with the demands of the Taean work system. In particular, with the revolutionary spirit of absoluteness and unconditionality regarding party policies and with positiveness and devotedness, they must responsibly carry out the tasks that were presented.

In compliance with the demands of the times when socialist construction is being carried out on a new high level, we must provide a firmer foundation for the prosperity and development of the country and the nation by vigorously waging a struggle to continually increase state assets.

Daily on Kim Il-song's Ideological Work
SK2505153188 Pyongyang KCNA in English
1503 GMT 25 May 88

[Text] Pyongyang May 25 (KCNA)—NODONG SINMUN today comes out with an article entitled "to establish party's monolithic ideological system is fundamental principle of building the party of working class" on the occasion of the 21st anniversary of the publication of a work on the orientation of immediate party propaganda work by the great leader Comrade Kim il-song on May 25, 1967.

The author of the article says: The work is a valuable historic work for strengthening and developing our party to be an invincible revolutionary party by clearly indicating questions of principle arising in the party construction including party ideological work.

In the work, the great leader Comrade Kim Il-song, basing himself on the lawful demand of building the revolutionary party of the working class and a scientific analysis of the actual conditions of our party's ideological work, gave concrete exposition of the orientation of party propaganda work including the questions of firmly establishing the party's monolithic ideological system within the party and strengthening education in the revolutionary traditions, communist education and education in socialist patriotism.

In particular, the work clarified the basic problems arising in building the party of the working class to indicate the way to steadfastly realize the unity of the party in ideology and purpose and its revolutionary unity and to strengthen and develop the party to be a mighty party marching from victory to victory through any storm and stress.

For this the work is of great theoretical and practical significance and has become a monumental work which has brought about a new turn in the party ideological work and party building.

The great leader Comrade Kim Il-song long ago put forth as an important question related to the destiny of the party to establish the party's monolithic ideological system and propounded an idea and policies to intensify the party ideological work to this end in the work.

For its validity and truth the work has displayed a great vitality over the past 20 odd years.

The past 20 odd years since the publication of the work was a proud history brilliantly embroidered with our party's wise leadership to improve and strengthen the party work and the party building as a whole including the party ideological work by grasping the idea and policies of the party building put forward in the work.

Dear Comrade Kim Chong-il who is brilliantly embodying the idea and theory of the great leader on the chuche-oriented party building has wisely directed the work to realise the ideas put forward in the work. In particular, he put forward the slogan of modelling the whole of the party on the chuche idea and energetically organised and led the work for its realisation and made public many works including the work published on February 19, 1974, "Let Us More Firmly Establish the Monolithic Ideological System in the Whole of the Party and the Society" and "On Some Problems of Education in the Chuche Idea" to bring about a revolutionary turn in the party building and party ideological work.

With the thorough implementation of the idea and policies advanced in the work under the wise leadership of the party and the leader, our party could be strengthened and developed to be a mighty party in which the entire party members have firmly armed themselves with the chuche idea and on its basis closely united and rallied in ideology and purpose, and a revolutionary party in which all the party organisations, party members and working people act like one man under the monolithic leadership of the party centre.

South Korea

Students Attack Joint U.S.-Korean Bank
SK2605065888 Seoul YONHAP in English
0641 GMT 26 May 88

[Text] Seoul, May 26 (YONHAP)—A group of students hurled several homemade bombs at the branch office of a Korea-U.S. [Koram] joint-venture bank here early Thursday, shouting anti-U.S. slogans and demanding the expulsion of what they called U.S. imperialists.

Yankee go home who forces the perpetual division of the Korean peninsula, they chanted.

The incident began at 8:40 a.m. shortly before the bank opened at 9:00 a.m. the firebombs caused no injuries and only minor damage to the facility, blackening slightly the Koram Bank branches protective iron shutters and signboard. The building is located in Pangbae-dong, southern Seoul.

The Koram Bank was set up in March 1983, with the U.S. side holding a 50.1 percent share and the Korean side 40.9 percent. [figures as received]

Four Seoul National University students were arrested minutes later on the scene. They were among some 30 students involved, who expressed radical anti-American sentiment.

The incident marks the third time this month that militant college students have attacked U.S. commercial or government facilities in South Korea.

The incident came one week after radical students tossed four homemade explosive devices into the U.S. Embassy compound in downtown Seoul and three days after four student activists threw homemade bombs at the United States Information Service building in Kwangju, a city 255 kilometers southwest of Seoul.

Government To 'Block' Student Movement
SK2605100088 Seoul YONHAP in English
0945 GMT 26 May 88

[Text] Seoul, May 26 (YONHAP)—South Korean Government Thursday decided to make effort to block a further expansion of the leftist-leaning student movement, after concluding that the recent wave of violent protests by student radicals posed a serious threat to the national security.

Home Affairs Minister Yi Chun-ku said, in a cabinet meeting convened for discussing measures to cope with the mounting student radicalism, that the methods and slogans used by student activists increasingly resemble those used by leftists. Yi said the students were even seeking to overthrow the government in apparent compliance with communist North Korea's counter-South political slogans.

Pointing out that the protest theme of the student activists has changed to national reunification and anti-Americanism, Yi said their calls for co-hosting the Seoul Olympics with North Korea, punishment of those responsible for the bloody suppression of the 1980 Kwangju civil uprising, and withdrawal of U.S. forces from Korea have even spread to some other segments of the public.

Yi further said the methods of protests, which had been limited to suicide, seizure of facilities, and arson until last year, have become more radical and violent involving seizures of railroads and expressways as well as firebomb attacks against the U.S. diplomatic offices.

While contending that the factors fanning the student radicalism were widespread in all segments of the society, including culture and art organizations and new media circles, he called for fundamental countermeasures against the leftist-leaning movement.

Justice Minister Chong Hae-chang also warned that student activists are moving to organize dissident groups among farmers for an ultimate purpose of overthrowing the government by force.

Education Minister Kim Yong-sik said he believes student violence will occur more frequently until June 10, the date proposed by student activists for a meeting between students of South and North Korea at the truce village of Panmunjom.

Since May 18, the eighth anniversary of the 1980 Kwangju civil uprising, violent student demonstrations have swept the country for more than a week including a homemade bomb attack against the U.S. Embassy and firebomb attacks against two other U.S. facilities.

Government Shows 'Displeasure' With JSP Report
SK2605080088 Seoul YONHAP in English
0745 GMT 26 May 88

[Text] Seoul, May 26 (YONHAP)—The South Korean Foreign Ministry formally registered its displeasure Thursday with the Japanese Foreign Ministry over a fabricated story carried by the Japan Socialist Party's organ on the destruction of a Korean Air (KAL) jetliner.

A spokesman for the ministry said his ministry has informed Japan's Foreign Ministry of its displeasure through diplomatic channels urging it to make efforts to correct the contents of the false report.

The official said, if the newspaper, SHAKAI SHIMPO, does not admit its report is a fabrication and does not make an appropriate apology for the fabricated article, the government will continue to ask the Japanese side to correct it.

The party's official newspaper reported in its May 24 edition that former South Korean Prime Minister Kim Chong-yol admitted in a declaration of conscience that the South Korean Government plotted the destruction of a KAL passenger plane last November in collusion with the United States, Japan and Bahrain in a bid to help No Tae-u win the presidential election last December.

A woman suspect in the case, arrested shortly after KAL Flight 858 disappeared on Nov. 29 last year near Burma with 115 people aboard, confessed in Seoul that she was a North Korean agent who planted a bomb on the jetliner on the instructions of Kim Chong-il, son and heir-apparent of North Korean leader Kim Il-sung.

Diet Member Apologizes

OW2605023388 Tokyo KYODO in English 0147 GMT
26 May 88

[Text] Seoul, May 26 KYODO—Kenjiro Kawamata, a Japanese Diet member of the Japan Socialist Party, apologized here Wednesday for a controversial report by the party's organ newspaper on the Korean Air jetliner crash last November.

The newspaper, "SHAKAI SHIMPO," on Tuesday quoted former South Korean Prime Minister Kim Chong-yol as saying that the governments of the United

States, Japan, Bahrain and South Korea had conspired to cause the air crash in order to ensure the victory of President No Tae-u in the presidential election last December.

Kim, however, strongly denied making such claim.

The Seoul government said earlier in the day it would protest to the JSP, Japan's largest opposition party, over the "fabricated" report.

Kawamata expressed the apology, which he made in a personal capacity, in a press conference at Seoul's Kimpo Airport just after he arrived here Wednesday night.

He came as a member of a 10-member suprapartisan sports parliamentary league for a three-day visit to South Korea.

The press conference was also attended by Yoshio Sakurauchi, a former Japanese foreign minister and a senior dietman of the ruling Liberal Democratic Party, who is leading the parliamentary delegation.

Sakurauchi also expressed an apology over the JSP report as the head of the delegation to South Korea. He predicted that the JSP will make its own investigation into the controversial report.

At the airport press conference, Kawamata expressed what could be taken as his personal recognition of the 1965 Japan-South Korea basic relations treaty.

His view sharply contrasts with the JSP's opposition to the treaty. The No.1 Japanese opposition party has complained that the treaty recognizes the Seoul government as the sole legitimate government on the Korean peninsula and is hostile to North Korea.

Therefore, Kawamata's remark on the treaty could trigger a new heated debate within the JSP, which is already in a state of agitation over the SHAKAI SHIMPO report.

Kawamata made the remark when asked if the JSP recognizes South Korea.

He also disclosed that JSP Secretary General Tsuruo Yamaguchi has expressed regret that he could not pay proper prior attention as a senior party officer to the organ paper's reporting.

Meanwhile, President No Tae-u on Wednesday declined to meet the visiting Japanese parliamentary delegation for reasons of "official business."

The suprapartisan group earlier wanted to meet him on Thursday.

The delegation is scheduled to meet Yun Kil-chung, who as chairman of the Democratic Justice Party is the No. 2 man in the ruling party.

Observers speculate that No's failure to meet with the delegation may be partly due to the JSP organ paper's report on the KAL incident.

Kim Chong-yol Dismisses Report

SK2605014888 Seoul THE KOREA HERALD in English
26 May 88 p 2

[From the "Out and About" column: "Ex-P.M. dismisses report"]

[Text] Former Prime Minister Kim Chong-yol denied a Japanese news report last month that he made a declaration of conscience.

Kim dismissed it as a "groundless," and said he did not feel like commenting on it because it was sheer fabrication.

A Japanese Socialist Party's paper reported last month that Kim made a declaration to reveal the corruption of the Fifth Republic and to repent his working for the republic.

Kim served as premier for the last 10 months of former President Chon Tu-hwan's government.

"I really don't know why the paper made such a report and I never got an inquiry from the paper about the story before it was published," Kim said.

Delegation Told DPRK Wanted at Olympics

OW2605082288 Tokyo KYODO in English 0614 GMT
26 May 88

[Text] Seoul, May 26 KYODO—A top South Korean Olympic official said Thursday South Korea will continue efforts up to the last possible moment to persuade North Korea to participate in the Seoul Olympic Games opening in September.

Pak Se-chik, president of the Seoul Olympic Organizing Committee, made the comment before a Japanese suprapartisan sports parliamentary league delegation led by former Foreign Minister Yoshio Sakurachi.

Pak also said he would like to go to Pyongyang to urge North Korea to participate in the Seoul Olympic games.

Pak's remarks followed reports that North Korean President Kim Il-song told Mozambique President Joaquim Chissano last week that North Korea will not participate in the summer games.

Pak regretted Kim's reported statement but said there is still a possibility that North Korea will participate in the Olympics.

While expressing his determination to continue efforts for North Korea's participation, Pak also called for Japan's cooperation and expressed thanks for Japan's help in anti-terrorism measures for the Olympics.

DJP Regrets North's Decision

SK2605032488 Seoul THE KOREA TIMES in English
26 May 88 p 2

[Text] The Democratic Justice Party yesterday expressed regret over Kim Il-song's reported confirmation of the North Korean position that it will not attend the Olympics and urged him to send athletes to Seoul.

Spokesman Kim Chung-wi said, "It is with regret that we hear that North Koreans will not participate in the Olympic Games to be held in the country for the first time in its history and we hope it is not their genuine will."

"The North Korean regime is required not to ignore all the people's wishes for Pyongyang's participation in the games," he said in a statement.

He further called on the government not to spare any diplomatic endeavor to attract a North Korean team to the Seoul games despite the Pyongyang authorities' repeated announcements of its boycott.

In a news conference in Tokyo Tuesday, Mozambique President Joaquim Alberto Chissano disclosed Kim Il-song has told him during a meeting in Pyongyang that the North would not take part in the Olympics.

Cuba Excluded From Seoul Sporting Events

SK2605084488 Seoul YONHAP in English
0830 GMT 26 May 88

[Text] Seoul, May 26 (YONHAP)—Cuba seems determined not to participate in the upcoming Seoul summer Olympics, an official of the Seoul Olympic Organizing Committee (SLOOC) said Thursday.

The remarks followed a decision by the International Baseball Association (IBA) to exclude Cuba from the Seoul games baseball competition, a non-medal event, and to include Australia. The IBA informed the SLOOC of its decision Wednesday.

Cuba, which was qualified to participate in the baseball event, has reportedly failed to express its willingness to attend.

On Tuesday, the International Volleyball Federation (IVB) disqualified Cuba from participating in the womens volleyball competition at the Seoul games as Cuba failed to send its team to the preliminary competition held recently in Italy, according to the SLOOC.

The SLOOC official said, Cuban boycotts in baseball and womens volleyball events can be interpreted as an intention to stay out of the Seoul games.

Meanwhile, a recent dispatch from Tokyo has quoted a Cuban sports official as having said, it is Cuba's consistent position that Cuba will not participate in the Seoul Olympics.

No Meets Pakistan Prime Minister Junejo
SK2605015288 Seoul THE KOREA HERALD
in English 26 May 88 p 1

[Text] President No Tae-u and visiting Pakistani Prime Minister Mohammad Khan Junejo agreed yesterday to increase cooperation in trade, economics, culture and other fields between the two countries.

At the Chongwadae talks, the two leaders also exchanged views on political developments in Northeast and Southeast Asia.

No conferred the order of diplomatic service merit, Grand Kwanghwa Medal, on Junejo and hosted a luncheon for him.

During the luncheon meeting, Junejo said he was impressed with Korea's rapid economic development and expressed hope for closer economic cooperation between the two countries.

President No told Junejo that Korea is willing to share with Pakistan the experience and technology acquired in carrying out its economic development programs.

The Pakistani prime minister arrived in Seoul Tuesday for a four-day visit at the invitation of Prime Minister Yi Hyon-chae.

In talks with Yi held shortly after his arrival here, Junejo expressed support for Korea's efforts to resolve inter-Korea problems through dialogue and negotiations.

He said Pakistan will continue to support Seoul's proposal for joint entry of south and north Korea into the United Nations as an interim measure till unification.

Prior to his meeting with No, Junejo visited the Economic Planning Board and was briefed on Korea's economic development programs and prospects for economic cooperation between the two countries.

Later in the day, he made an inspection tour of the Seoul Olympic Stadium and other facilities. He also had interviews with Korean journalists and hosted a reception for Pakistani residents in Seoul.

Junejo is to visit the Pohang Steel and Iron Co. today. He will give a press conference before leaving for home tomorrow.

Meanwhile, an agreement has been made between the governments of Korea and Pakistan for the promotion and protection of investments.

Foreign Minister Choe Kwang-su and visiting Pakistani Minister for Industries Chaudhry Shujat Hussain signed the agreement at the Foreign Ministry yesterday.

The agreement, composed of a preamble and 12 articles, will take effect 30 days after the two countries exchange ratifications.

Under the agreement, the two governments are to provide the same benefits to investors from each other's country as those for domestic investors.

It also requires the two governments to compensate properly and promptly for property owned by Koreans in Pakistan or Pakistanis in Korea when they want to nationalize it.

The agreement stipulates that the two countries use courts of arbitration when disputes occur concerning investments.

Korea and Pakistan signed a trade agreement in October 1968. Since then, the two countries have made treaties for cooperation in various fields including science, technology and culture.

Korea exported about \$210 million worth of electronic, steel and paper goods to Pakistan in 1987, while importing \$110 million worth of raw cotton, leather and cotton fibers.

The newly signed agreement is expected to contribute to an increase in investments by Korean businessmen in Pakistan, said a Foreign Ministry official.

Korea has signed similar agreements for protection of investments with 13 other countries.

Junejo Visits Iron Works
SK2605090888 Seoul YONHAP in English
0852 GMT 26 May 88

[Text] Pohang, South Korea, May 26 (YONHAP)—Pakistani Prime Minister Mohammad Khan Junejo Thursday visited the Pohang Iron and Steel Co. (Posco) located in this southeastern port city.

Prime Minister Junejo, accompanied by a 24-member entourage, including the Pakistani minister for industries and Air Force chief of staff, toured the third blast furnace, control center and other key Posco facilities.

The Pakistani prime minister, while being briefed by Chung Myung-sik, Posco's president, about the operations of the largest steel mill in South Korea, expressed a keen interest in the firm's development.

Junejo arrived in Korea Tuesday for a four-day official visit.

On Wednesday, he paid a courtesy call on President No Tae-u and discussed matters of mutual concern including ways to strengthen economic relations between the two nations.

No To Meet With Three Kims on 28 May
SK2605062088 Seoul YONHAP in English
0555 GMT 26 May 88

[Text] Seoul May 26 (YONHAP)—President No Tae-u will meet with the presidents of the three opposition parties Saturday to discuss state affairs and domestic politics.

The three are Kim Tae-chung of the Party for Peace and Democracy, Kim Yong-sam of the Reunification Democratic Party and Kim Chong-pil of the New Democratic Republican Party.

An agreement to hold the meeting, the first of its kind since No took office in February, was achieved Thursday morning when DJP Chairman Yun Kil-chung withdrew his insistence that he attend the proposed meeting along with No and the opposition leaders.

The meeting, proposed by the opposition camp, appeared to have been aborted when the ruling party maintained that its chairman should be allowed to attend while the opposition parties objected to his participation.

In his meeting with No Thursday morning, Yun recommended that he be excluded when the president meets with the three opposition leaders and that the meeting be held before the National Assembly opens, DJP spokesman Kim Chung-wi said. Kim added that No accepted Yun's recommendation.

The ruling and opposition parties agreed to open the 13th National Assembly on Monday.

Kim said agreement to hold the meeting was realized as No invited the three Kims to attend the meeting in their capacity as former presidential candidates. The three Kims ran unsuccessfully against No in the presidential election last December.

The DJP spokesman said that future meetings will involve Yun.

In the meeting, No and the three opposition leaders will discuss a variety of issues including the opposition's demand for an investigation into the Kwangju uprising and alleged irregularities perpetrated under the administration of former President Chon Tu-hwan.

The release of political prisoners and a vote of confidence after the Olympics on No's presidency will also be discussed.

No is expected to ask the opposition leaders to cooperate so the nation's future politics can be conducted smoothly.

In general elections last month, the ruling party failed to win a majority of seats for the first time in the nation's four-decade history of parliamentary politics.

The opposition parties plan to strongly request the release of all prisoners of conscience and stress that an investigation of the Kwangju uprising and alleged irregularities of the Fifth Republic be conducted thoroughly.

The ruling and opposition parties held a series of meetings Wednesday afternoon and Thursday morning to discuss the meeting among their leaders.

Opposition Disagrees on No's Referendum Pledge
SK2605073088 Seoul YONHAP in English
0706 GMT 26 May 88

[Text] Seoul, May 25 (YONHAP)—Signs of a protracted political dispute are mounting over a presidential campaign pledge made by No Tae-u last December to conduct an interim test, after the Seoul Olympics, in any form to determine public confidence in his presidency.

In a quick response to an indication Wednesday by a close aide to No that a national referendum on the No government policies is one possible form for the projected test, major opposition parties countered Thursday with a call for a test of confidence in the No government itself but not its policies.

Hyon Hong-chu, director of the Office of Legislation, known for his role in No's victory last December in the country's first direct presidential election in 16 years, told reporters that the test will take the form of a national referendum on the governments policies rather than a vote of confidence on the president himself.

The opposition Party for Peace and Democracy, led by Kim Tae-chung, charged that Hyon's remarks signaled an attempt to alter No's original election pledge.

Yi sang-su, spokesman of the leading opposition party, said, Hyon's remarks, construed to mean conducting a referendum on a particular policy, do not provide a clear

message in connection with the test of confidence, adding that an intention to alter the original pledge made by No when necessary is the underlying message in the remarks.

Yi said the government of president No should allow itself to be tested as originally promised.

He added, however, that his party will make a final decision on its position concerning the tests format after the Seoul Olympics.

The no. 2 opposition Reunification Democratic Party led by Kim Yong-sam also made it plain that it opposes the governments plan, demanding that President No keep his election pledge.

Hwang Pyong-tae, chief policymaker of the party, said, it is meaningless to conduct a national referendum on a particular policy of the government because the interim test is to determine political confidence in the government.

Meanwhile, the conservative opposition New Democratic Republican Party led by former Prime Minister Kim Chong-pil reaffirmed its objection to a vote of confidence on the government in the middle of its term.

The party, the smallest of the three opposition parties, has insisted that a vote of confidence may lead to political instability which would be of no help to the countrys ongoing democratic reforms.

During the presidential campaigning last December, No, who won the election with 36.7 percent of the vote, said he would resign as president if he fails to win the proposed interim confidence test on his performance after the Olympics.

The campaign pledge, however, has become a political controversy since last months parliamentary elections in which the opposition parties won a combined majority of seats for the first time in the country's 40-year modern history.

No To Abide by Confidence Vote

SK2605003888 Seoul YONHAP in English
0034 GMT 26 May 88

[Text] Seoul, May 25 (YONHAP)—President No Tae-u will abide by his campaign pledge to conduct some form of an interim test of public confidence on his leadership after the Seoul Olympics, a close aide to No told reporters Wednesday.

Hyon Hong-chu, director of the Office of Legislation, said the test will take the form of a national referendum on government policy rather than a vote of confidence on the president himself.

Hyon explained that the current constitution has no provisions for a vote of confidence on the president but it does stipulate a national referendum can be held on a major state policy.

Hyon, known for his role in No's victory last December in the country's first direct presidential election in 16 years, also said he is convinced that No will win a vote of confidence, if one is conducted, without fail.

During the presidential campaign, No, who won the election with 36.7 percent of the vote, said he would be willing to resign as president if he fails to win the proposed interim test of confidence on his leadership.

The campaign pledge, however, has turned into a political controversy since last months parliamentary elections in which the opposition parties won a combined majority of seats for the first time in the countrys 40-year modern history.

'Rough Sailing' Expected in Assembly

SK2605031488 Seoul THE KOREA TIMES in English
26 May 88 p 2

[Article by staff reporter Kim Chang-yong: "New Assembly Faces Rough Sailing Over Operation of Probe Panels"]

[Text] The new National Assembly is about to set forth on a four-year term under the heavy charge of combing out the long authoritarian legacy and ushering in democratic changes with a constitutionally-guaranteed enhanced authority.

Floor leaders of the rival parties scheduled the inauguration of the parliament for May 30 after about one month of "tests of will" over seemingly trifling questions.

Rough sailing is expected in the legislature where contest will be joined not only between the ruling and opposition forces but also among the opposition parties.

Serious debates will start at the close of the inaugural session among members of a special House panel which will draft a revision of the National Assembly Law over one week.

A bigger task is laid before for the 13th legislature's first extraordinary sitting, slated to open within a week after the two-day inaugural assembly.

The whips agreed "in principle" Tuesday that the second session will deal with the opposition-proposed formation of five special Assembly committees including one for the investigation of the Kwangju incident, their statement said.

They, however, differed in the interpretation of the accord and DJP floor leader Kim Yun-whan scrapped part of it.

He told reporters after the whips' meeting Tuesday, "I did not give full consent to the organization of the panels, but only to the discussion of the issue first in the next session."

He yesterday proposed the formation of two special parliamentary panels on national unification and Olympic support apparently in order to divert the public interest to less political issues.

The DJP and the administration fear that House interrogations in the crucial Kwangju and corruption cases might deal heavy blows to the Chon Tu-hwan family and further to the No Tae-u administration, the very reason for the opposition's strong demand.

The opposition parties, which directly or indirectly blame Chon, No and other key DJP officials for the Kwangju bloodshed, are resolute about forming the five provisional panels. And they are capable of doing so, if united.

The five panels will probe the Kwangju bloodshed of May 1980, irregularities of Chon's Fifth Republic and alleged rigging in the Dec. 16 presidential vote and April 26 parliamentary elections, and study ways of solving regional antagonism and revising undemocratic legislation.

The ruling DJP intends to delay the formation of such special panels and limit the scope of their activities in a bid to shield the two-month-old No administration from opposition offensives.

DJP executives popularly quote No's campaigning cant that there should be no exception in eradicating irregularities involving those in power.

Yet DJP chairman Yun Kil-chung has recently made it clear that Chon Tu-hwan should not be dragged before a parliamentary fact-finding mission in which ruling party lawmakers will play only a passive part.

He reasoned that "honorable" treatment is due for the former president, with whom oppositionists usually associate No, Chon's classmate at the Korea Military Academy.

DJP executives are in fact reluctant to the probe of military leaders' roles in the suppression of Kwangju citizens' uprising, which will inevitably spiral into the demand for their punishment.

Spokesman Kim Chung-wi demanded Monday, "What will we be able to earn by damaging the fame of our armed forces?"

Meanwhile, the opposition array is trying to clinch an upper hand in the new legislature substantially through the offensives.

Their longer-term strategy is to corner the ruling camp after the Olympics when No will have to stick by his delicate campaign pledge to seek the people's confidence.

The ruling camp, which had sought to hold a confidence vote in the assembly, as top campaigner Hyon Hong-chu suggested last December, lost the most feasible option with the failure in the general elections.

The opposition leaders, especially Kim Tae-chung, think it a capital chance to place a hold on the No administration, though the Constitution provides for a five-year presidential tenure.

Actually, No, then DJP president, indicated he would resign as head of state if he failed to get "affirmation asking the people after the Games whether I successfully implemented my June 29 democratic program and campaign pledges."

A possible way for the DJP to evade a series of opposition offensives will be contrarily to assume a positive attitude in carrying out democratic reforms and meeting what the electorate, who gave it a stunning slap, wants.

But the party's agony is in the fact that the DJP, founded by Chon seven years ago, could not stand aloof from his bad legacy.

Whether the Assembly will move along on the normal track will largely depend on to what extent the DJP is resolved to side with the citizens, not with the founder.

Parties Agree To Revise Assembly Law
SK2605025488 Seoul THE KOREA HERALD
in English 26 May 88 p 2

[Text] Ruling and opposition parties agreed yesterday to complete revision of a lot of Assembly operation-related laws by June 10.

They will revise the Assembly Act, the Act on Testimony in the Assembly, the Assembly Administration Act, the Act on Assembly Investigation and the Act on Payment of Lawmakers.

The four parties also agreed to form the envisioned panel for the revision work with 15 lawmakers—six from the ruling Democratic Justice Party, four from the Party for Peace and Democracy, three from the Reunification Democratic Party and two from the New Democratic Republican Party.

The panel, which will be set up during the two-day inaugural session of the Assembly, will seek an overall revision in the case of the Assembly Act.

Negotiators from the three opposition parties said they would try to present a joint revision draft to the act for negotiation with the ruling party.

The four parties have allowed independent lawmakers to present their own draft to the panel.

After the meeting, the three opposition officials said they have neared an agreement with their ruling side counterpart that the Assembly convene a 30-day extraordinary session from June 7.

RDP Opposes Legislated Amnesty
SK2605034288 Seoul THE KOREA TIMES in English
26 May 88 p 2

[Text] The Reunification Democratic party opposed the Party for Peace and Democracy's plan to enact a special law to free "prisoners of conscience" yesterday.

Kang Sin-ok, chairman of the RDP human rights committee, asserted in a meeting of opposition human rights affairs officials that such a law is unconstitutional.

"The enactment of such a special law infringes upon the right of the President to grant amnesty and is therefore unconstitutional," the RDP lawyer lawmaker-elect told PPD and New Democratic Republican Party officials.

Lawyer Cho Song-hyong of the PPD, for his part, claimed that the enactment of the special law on amnesty would be possible, citing a similar law on amnesty enacted in 1961 by the then ruling Democratic Republican Party as a precedent.

Kang Sin-ok suggested that the releast of the prisoners of conscience be promoted through the adoption of a resolution to that effect in the Assembly.

"It is our party's official line to regard the enactment of the special law on amnesty as unconstitutional," the chairman of the RDP's human rights panel reiterated.

As the RDP raised a strong objection, the PPD's Cho threatened "to propose the enactment bill unilaterally."

Sin O-chol of the NDRP lent mild support to the RDP, by saying, "I admit that there would be some problems in the enactment of the special law, but the release of prisoners of conscience is a matter that goes beyond legal arguments."

The enactment of the special law on amnesty had been agreed upon in the first formal talks among the leaders of the three opposition parties last week.

Kim Tae-chung, Kim Yong-sam and Kim Chong-pil resolved in their joint statement "to strive to set free all prisoners of conscience, to stop the police seach for political fugitives and to ban the unlawful conscription of student activists.

"If our demands are not accepted by the government, we will realize them through the enactment of a special law for that purpose," the three Kims said in the joint statement.

The chairmen of the human rights committee of the three parties decided to receive reports on political detainees in their separate committees to finalize numbers of political detainees to be forwarded to the government authorities.

The ruling and opposition parties have engaged in sharp dispute over the scope of the prisoners of conscience or "political detainees" issue.

The opposition demands that more than 500 political detainees be released and their civil rights restored, while the government authorities claims that the government has already released most detainees arrested on political charges.

Kim Yong-sam Urges Resistance to U.S. Imports
SK2605030288 Seoul THE KOREA HERALD
in English 26 May 88 p 2

[From the "Out and About" column: "Yielding to Pressure"]

[Text] RDP leader Kim Yong-sam said that the government's decision to resume imports of American beef is the latest concession to U.S. pressure.

Speaking at a meeting of the party officials yesterday morning, Kim urged them to make greater efforts to check the unrestrained import of American farm products.

The RDP president asked party members to attend a rally slated for today in Yoido to denounce the government's decision to import American agricultural products.

Kim also said that a historical mission of the new National Assembly is to bring to light former President Chon Tu-hwan government's wrongdoings.

U.S. Said To Step Up Pressure on Aviation
SK2605023488 Seoul YONHAP in English
0200 GMT 26 May 88

[Text] Seoul, May 26 (YONHAP)—The United States has recently stepped up its pressure on Korea to open its aviation market, government and industry sources said Thursday.

The United States has demanded since 1986 that the Korean Government allow U.S. airlines to handle all aviation cargoes to and from Korea.

Currently, U.S. airlines operating in Korea are banned from handling non-l/c (letter of credit) cargoes, a Transportation Ministry official said.

The United States has also demanded recently that branch offices of U.S. airlines in Korea be allowed to install their own computer reservation systems (CRS).

The U.S. demands are aimed at the growing potential of the Korean aviation market in view of Korea's moves to liberalize overseas travel for its people and the growth in export and import cargoes.

A Korean Air (KAL) spokesman said that if the U.S. demand to permit U.S. airlines to install their own computer information systems is accepted, it would not only cause considerable damage to KAL, but would also have a serious effect on Korea's tourism, leisure industries and information industry.

The CRS is not just a reservation system used for ticket reservations but is also a value-added network with a vast capacity and it may dominate Korea's information industry, the spokesman said.

KAL maintains that U.S. airlines should use Korean Air's reservation system, he added.

The Korean Government is in a position to accept the two U.S. requests because of the Korea-U.S. aviation treaty. The treaty, however, has been labeled here as a typical example of an unfair agreement.

Under the treaty, U.S. airline companies can freely open flight services to Korea while the United States has denied Korean requests that Korean Air be allowed to open regular flight services to Chicago and that KAL obtain the right to fly beyond U.S. cities to South American and European cities.

Four U.S. airline companies now do business in Korea—United Airlines, Northwest Airlines, Delta Air Lines and Flying Tiger Lines.

Sources in aviation and tourism industries here insist that the Korea-U.S. aviation treaty should be improved, based on the principle of reciprocity.

Finance Ministry Reports on Tariff Cuts
SK2605014488 Seoul YONHAP in English
0117 GMT 26 May 88

[Text] Seoul, May 26 (YONHAP)—Tariffs on 72 items, including some daily necessities, ceramics and glassware, will be cut from the present 20 percent to eight percent by 1993, the Finance Ministry said.

Import duties on 48 precious metals and 35 tools will also be lowered from 18.3 percent and 20 percent on the average to 4.1 percent and eight percent, respectively, during the cited period.

The tariff cuts are part of the government's tariff reduction program for all import items in the 1988-93 period.

Duties on 20 items including footwear and wigs, now 20 percent, will drop to 15 percent next year and gradually fall to eight percent by 1993.

Similar rates on 23 glassware products will be reduced to 20.9 percent in 1989 and then be lowered to 7.7 percent by the target year.

The ministry will trim the duty rates on 14 ceramic and refractory products from 23.6 percent to eight percent during the five-year period.

It also will slash the tariffs on 19 masonry products to eight percent in 1993 from 20 percent this year.

The government's tariff reduction for precious metal imports will be carried out to prevent their illegal trading and to normalize marketing practices on the domestic market, in conjunction with the import liberalization of gold, in order to manage the massive international balance of payments surplus, the ministry said.

Duties on gold, silver and platinum ingots will fall from 20 percent to five percent in 1989, to four percent in 1991 and to three percent in 1993.

Tariffs on products made from precious metals, now 50 percent for ornamental use and 20 percent for industrial use, will slide to 15 percent next year, to 13 percent in 1990, 11 percent in 1991, nine percent in 1992 and eight percent in 1993.

Rates on rough precious stones, now 10 percent, will drop to one percent next year and remain at that level through 1993.

Those on primarily processed diamonds, rubies and crystal, now 50 percent for ornamental use and 10 percent for industrial use, will plummet to five percent in 1989 and stay at that level until 1993.

Tariff rates on gem products, currently 50 percent and 20 percent according to their use, will fall to 15 percent, 13 percent, 11 percent, nine percent and eight percent annually during the period.

Rates on rough pearls and their products, now 50 percent, will also undergo the same tariff reduction as gem products over the period.

Duty rates on hand tools such as drills and saws will also be lowered from the present 20 percent to 15 percent next year and then to 13 percent, 11 percent, nine percent and eight percent over the following four years.

Those on 20 miscellaneous steel products, including keys, picture frames, and welding torches for semiconductors, will be trimmed from 19 percent on the average to 14.5 percent, 12.7 percent, 11 percent, 9.1 percent and eight percent over the five-year-period, the ministry said.

Economy To Face 'Considerable' Slowdown

SK2605013788 Seoul YONHAP in English
0131 GMT 26 May 88

[Text] Seoul, May 25 (YONHAP)—South Korea, hit by widespread labor disputes and the rising value of its currency, will face a considerable slowdown in its economic growth this year, a government think tank forecast Thursday.

The Korea Development Institute (KDI) said the country's gross national product (GNP) will grow 9.5 percent this year, compared with 12 percent growth recorded a year earlier.

The current account surplus will also decline to 8.5 billion U.S. dollars, 1.35 billion dollars less than a year ago, as the growth of imports will outpace that of exports.

The KDI said exports will increase 20 percent to 55.6 billion dollars while imports will rise 28 percent to 49.4 billion dollars.

Korea recorded export growth of 36 percent last year.

The KDI based its forecast of an expected slowdown in export growth on mounting protectionist moves in major foreign markets coupled with a rise in export prices resulting from domestic wage increases and the appreciation of the won currency.

The KDI said the country's trade surplus, which stood at 7.66 billion dollars last year, will fall by 1.46 billion dollars to 6.2 billion dollars.

The invisible trade surplus, however, will rise 110 million dollars to 2.3 billion dollars this year boosted by the increase in tourism revenue expected from the Seoul Olympic games.

Farmers Rally To Oppose Agricultural Imports

SK2505213688 Seoul Domestic Service in Korean
2100 GMT 25 May 88

[Text] A pannational rally of farmers to oppose the import of agricultural and livestock products will be held at Yoido Plaza at 1300 today.

Approximately 3,000 members of eight agricultural and livestock organizations including the Korea Dairy Farming Association will attend the rally and reveal the position of farmers toward the recent opening of beef markets by the government.

Burma

Party Chairman U Ne Win Returns From Abroad
BK2605052088 Rangoon Domestic Service in Burmese
0430 GMT 26 May 88

[Text] U Ne Win, chairman of the Burma Socialist Program Party [BSPP], returned from an overseas trip today at 1040. The party chairman was accompanied by his wife, Daw Ni Ni Myint; Dr Maung Maung, U Thaung Tin, and U Ohn Kyi, members of the State Council; Thura U Kyaw Htin, deputy prime minister and minister of defense; U Lay Maung, member of the Council of People's Attorneys; U Maung Cho, minister of industry-2; and high-ranking officials of the BSPP Chairman's Office and the Defense Ministry.

The party chairman and his entourage were welcomed at Rangoon Airport by U San Yu, vice chairman, president, and State Council chairman, and his wife; members of the party Central Executive Committee headed by General Secretary U Aye Ko, and their wives; State Council members led by U Sein Lwin, State Council secretary, and their wives; U Maung Kha, prime minister, and ministers; chairmen of the central organs of power and their wives; Mr Thongchan Chotikasathian, dean of the diplomatic corps in Burma and Thai ambassador to Burma, and his wife; Dr Walther von Marschall, FRG ambassador to Burma; and high-ranking military officials.

Deputy Premier Tun Tin Leaves for PRC
BK2505141488 Rangoon Domestic Service in Burmese
1330 GMT 25 May 88

[Text] A Burmese delegation headed by Thura U Tun Tin, deputy prime minister and minister of finance and planning, left for the PRC by air this afternoon to discuss matters concerning bilateral friendship and economic cooperation at the invitation of the PRC Government.

Thura U Tun Tin and his delegation were seen off at Rangoon Airport by U Maung Maung Kha, prime minister; U Ye Gaung, foreign affairs minister; U Sein Tun, minister of energy; U Tint Swe, minister of industry-1; U Than Tin, minister of mines; U Sein Ya, minister of transport and communications; U Nyunt Maung, deputy minister of planning and finance; U Kyin Hlaing, deputy minister of construction; Mr Cheng Ruisheng, PRC ambassador to Burma; and heads of departments under the Ministry of Planning and Finance.

Members of the delegation accompanying U Tun Tin are Major General Myint Lwin, minister of construction, and U Kyaw Myint, deputy minister of planning and finance. The Burmese delegation will spend 9 days in the PRC working on matters relating to bilateral friendship and economic cooperation.

Unrestricted Transport of Decontrolled Goods
BK2405142388 Rangoon Domestic Service in Burmese
1330 GMT 24 May 88

[Text] The Central Transport Coordination Committee [CTCC] under the Ministry of Transport and Communication has helped arrange the transport of privately owned, decontrolled goods to coastal ports after going through the process of scrutinizing wholesaler registrations. Now, however, since it is essential to facilitate a quicker transportation of goods, the system of having the CTCC control and arrange the transport will be abolished, and unrestricted transportation will be permitted effective 1 June 1988.

Private traders wishing to use the services of the coastal ships belonging to the Five Star Shipping Line to transport decontrolled goods should directly contact the agencies of the Ports Corporation. If they wish to use the motorized boats and landing craft owned by cooperatives or private concerns, the agents or the boat owners should be contacted directly.

The current system of transport coordination committees at different levels arranging the transportation of goods belonging to the government departments and cooperatives will however remain unchanged.

VOPB Concludes Newsletter on Student Protests
BK2505122188 (Clandestine) Voice of the People of Burma in Burmese 1200 GMT 21 May 88

[Second and concluding part of "newsletter" from correspondent of the Voice of the People of Burma: "The March Movement of the Students and the People"]

[Text] [Words indistinct] they supported it fully and actively with rounds of applause. I, having also been a student, was elated to see the students visibly excited at the prospect of having very soon within their grasp (?a goal) that had eluded them for many years. Following the thunderous calls for strikes, a student leader calmed the student mass. Next, a call was made for the election of executives of the student union. [Words indistinct] reminisce about the past era [words indistinct]. A student union took full shape later with the election of the chairman, the vice chairman, the secretary, the information officer, and the executive members.

Comrades, I would like to relate how I felt and express my belief at this point. I am proud to belong to a country which has such selfless, disciplined, self-reliant, united, and charismatic students with a lofty political spirit, and it is my conviction that the rays of light will soon break through the darkness that hangs over the country now.

The number of students gradually increased, as more and more students arrived on their own. The students now numbered over 6,000, and their spirits soared. The demands chanted by the students also resounded, and

the union leaders finally decided to demonstrate outside the campus. They unanimously agreed to march in protest on to the Rangoon Institute of Technology through Hlaing region.

(?The cries) of the youth once again (?reverberated) in Rangoon city. The march started from the gates of the Institute of Economics on Prome Road. The glorious flag of the fighting peacock [symbol of the former Rangoon University Student Union] was seen flying from one of the cars. How could onlookers feel anything but excitement to see a flag that has such a great historic tradition?

The students, eyes ablaze and with their fists clenched, were just like their famous predecessors. Learning from their past experience of having being photographed by military intelligence, the students covered their faces with handkerchiefs. More than 60 percent of them had their faces covered. Nothing could be done for those who did not happen to have handkerchiefs, but they also bravely joined in the struggle.

Once they entered Hlaing area, students from the Hlaing campus and the people joined them. The column thus grew and grew into a large army. When they reached the 6 and 1/2 mile mark, the mercenary Army blockaded (?the route). The students did not deviate from their basic principle of peaceful demonstration. One of the student leaders nonchalantly handed a copy of the demands to a colonel (?standing in front). The officer said he would present the list to the higher levels and passed it to a military officer in a Mazda car that soon drove off.

When they reached University Avenue at 1400, they sang the national anthem in unison. Machineguns mounted on the armored cars and the guns of the military police were aimed at the students. Some of the students spoke to the military officers. A (?Mazda) military vehicle, [words indistinct].

A (?Dyna truck) packed with military police then drove (? into the University) from Hledan side. When the onlookers [words indistinct], the students and the [words indistinct] were beaten up, arrested, and hauled into (?military) trucks.

The time was about 1500, and the beatings had bloodied the banks of Inya Lake. The majority of the students ran toward small streets to escape arrest. There were fist-fights and exchanges of beatings between the military police and students on Insein Road. When the authorities started using force, the angry students stopped two No 8 blue buses, requested the passengers to disembark, and smashed and destroyed the vehicles to their heart's content.

A (?military) vehicle which turned into Rangoon University from Hledan was stopped by the students in front of University Avenue and was (?destroyed). The military police used batons, (?tear gas), and guns in attacking the

students. Over 400 students, including the chairman and vice chairman of the student union, were (?arrested), and the campus was encircled by over 2,000 military police. Was the struggle over?

Part 4. The fLames of the Struggle Burn More Intensely

It was 17 March, the deadline the students had set for explanations to be given. But, the military government continued to ignore the just demands of the students and deployed its troops in the Buddhist Assembly Hall of the Universities.

As time went on, about some 2,000 students, including high school students, convened again. A middle school student recited a poem he had written in memory of Ko Phone Maw [the deceased student]. This stirred the crowd into action [words indistinct].

At 0900, funds were collected for the funeral rites. Contributions poured in, and the money had to be wrapped in shirts and longyi because the sling bag used for the collection was full. Later, microphones and amplifiers were brought out from the Lanzin Youth Office, and they were installed at the Recreation Center. The dais for the [words indistinct] was turned into a speech platform.

An inscription—the ogreish military government will fall!—was written in bold letters on a big blackboard and was erected on the Adipadi Road. The students took turns to speak. A veteran student who was involved in the U Thant crisis [student protests over burial site for former UN secretary general] said the task that one should always bear in mind is to oppose the military government, [words indistinct]. (?A girl student and) vice chairman, who was recently released from jail, said the struggle must continue without fail. A ninth standard girl student delivered a speech saying she could not tolerate the way her elder brothers were being killed.

These incidents clearly show that the link between the old and new generations in the revolutionary tide cannot be broken. The lyrics of a student union song says: although the elder Aung Kyaw [student beaten to death during protest under British rule] has fallen, younger Aung Kyaw's will take his place. It did happen in reality. Any person with a knowledge of history [words indistinct] the students had indeed carried out the principle of replacing the fallen leaders with new ones. They elected a temporary chairman in place of the chairman in detention. They also formed a 30-member strike committee. Subcommittees in charge of transport of supplies, finance, security, and information were also set up. Later, they demonstrated walking five abreast and chanting: Down with murderous policies, Immediately change the current system of administration, (?Class) unity is our cause, Give us human rights, now, Down with the [words indistinct] Burma!, Release the arrested students! and Our cause shall succeed!

The working people of Kamayut and Hledan, despite their hard and poor life, gave the students cash donations and supplies. At 1500, mercenary troops and military police poured into the campus. [Words indistinct] three armed regiments and military police armed with batons and started beating up people to disperse the crowd. They also took photographs and videotapes. The people in the campus houses belonging to the teaching staff and in the residential wards hid the students. The scenes were remarkably moving, and they showed the extent of the people's support for the just struggle of the students and their hatred toward the military government.

The mercenary troops arrested and packed the students into the prison trucks. Just before the students dispersed, the chairman of the student union announced over loudspeaker that the army had again staged a coup in the university campus and that the people's struggle would be staged around the Sule Pagoda in the middle of Rangoon the next day. Following this, the crowd dispersed with some people being arrested while others escaped. It was indeed a blueprint carefully drafted by the revolutionary architects.

Comrades, I shall now give you a scene-by-scene description of metropolitan Rangoon and the role played by the people in providing all the support they could give.

The people soon learned that innocent students were being beaten, arrested, and killed. They respected the sacrifice the students were making in waging the struggle and abhorred and detested the government.

The people of Insein reacted in the following way when they saw the students, including very young ones, being transported in prison trucks. At about 1600, they locked the railway crossing to block the prison trucks carrying the students from Rangoon University. The prison trucks therefore had to enter Insein Jail from [name indistinct] direction.

At 1700, middle school students stoned the windshields of prison trucks carrying students and tried to rescue the students inside. When a prison truck drove hurriedly away reaching the intersection at the top of [name indistinct] road, youths came out from a tea shop and threw glasses and tried to stop the vehicle, but there were not enough of them to succeed.

At about 1730, [words indistinct] set fire to an office car [words indistinct]. But as this was not enough to satisfy them, they marched toward Insein Jail to encircle it. They attempted to enter the jail by burning down the prison gates. This shows the enormous strength of the people waging the struggle who made use of every available resource under the circumstances. It was also an encouraging sight to observe among the people, monks who, by tradition have never lagged behind in the historic struggles for the national cause and democracy.

The security forces and wardens opened fire, and a monk and four persons were hit in front of Insein prison. Meanwhile, five military trucks from the Hmawbi Paratroopers Unit arrived, and batons were used to disperse the crowd. Over 50 persons were arrested. The residents of Insein market and surrounding areas gave cover to the people who fled into their wards by blocking off the pursuing army and security forces. The mercenary security personnel fled when they saw the people were armed with sticks, knives, and spears.

Let us now look at the events around Kamayut intersection. The local people tried to seize the three prison trucks which drove to the intersection, but only one truck was seized while the other two escaped. The people beat up and drove away the army personnel, opened the doors of the prison truck and let out the students. Similarly, the students from the Insein GTI [Government Technical Institute] were able to seize two prison trucks.

About this time, Mandalay was becoming agitated as a result of reports on the incident in Rangoon. The stand and demands made by Mandalay University with respect to the incident was made public. It was stated that the announcement carried by the Burma Broadcasting Service smeared the image and prestige of the students and affected the solidarity between the students and the people. It was stated that the entire student masses had historically worked for the solidarity between the students and the people, the students and the teaching staff, and among the students as well as for the safeguarding of student privileges and people's welfare. An appeal was therefore made to the student masses to demand a retraction of the announcement on the incident, the revelation of the truth, the formation of an investigation commission, the naming and punishment of the culprits, and the end to interference by [words indistinct] in Rangoon, Mandalay, and other cities.

Seventy students from Mandalay University and 20 students from Yezin [Institute of Agriculture] came down to Rangoon by train to participate in the [words indistinct]. They were, however, arrested at Hlegu railway station.

The other students in Mandalay did not remain intimidated, however. At about 2130, sounds of demonstration and slogans could be heard at the Aung San Hall of the Mandalay Institute of Medicine: Return us the [word indistinct] students, Release the arrested students, Student rights, now, Retract the (?false) statement, and Down with the murderous government!

Military police encircled the campus of the medical institute. On 18 March, students were driven out of their universities, colleges, and institutes in Mandalay and were told to return home. [sentence indistinct].

Meanwhile in Rangoon, the mercenary troops took up position in the major campuses, including those of the Rangoon Arts and Sciences University and the Rangoon Institute of Technology. At about 1000, the remaining students gathered at the Sule Pagoda in accordance with their plan. [sentence indistinct] They waged the struggle day after day and at different times and different places in such a way without revealing who were the leaders and who were followers. The situation was fast changing. New faces took the places of fallen ones the next day. The students arriving from all over did not know who would be the leader that day. They appeared to know instantly what they had to do exactly [words indistinct]. How amazing it was! Once they had gathered at Sule Pagoda, they held a meeting. The security forces started arriving in civilian cars. The students commandeered a [word indistinct] car the security personnel rode in and set it alight. Six security forces personnel were seen running around Sule Pagoda when they were attacked by the students. Two cars belonging to the Hotel and Tourism Corporation were also burned. In front of the Hotel and Tourism Corporation building, a student wearing a mask was seen showing a picture of Thakin Aung San [the late General Aung San and national hero] and venting his feelings by saying, This is (?the father of) independence. Then he held up Ne Win's picture saying, And this is the pimp who impoverished the country. Meanwhile, the strength of the people grew. Middle and high school students from St John's School came out of their school and joined their brothers and sisters in the demonstrations. In front of City Hall, a 12-year old student was seen being beaten with batons by the military police. The student fell, and with a few spastic movements, died instantly.

When the people witnessed the brutal killing, they poured into the streets to join the students. They destroyed offices, buildings, vehicles, and anything connected with the government. They broke windows and entered the Municipality Office Building and stoned and destroyed the [words indistinct]. At that time, some 1,000 members of the security forces and police personnel from the BSPP [Burma Socialist Program Party] headquarters arrived. The students and people welcomed them by throwing stones and sticks at them. While the melee was going on, four motorcycles and a police car arrived, announcing that the Army had arrived. As the army was [words indistinct], the students started dispersing, and the security forces shot at them.

The people stoned and destroyed a cooperative shop on Maha Bandoole Road between 33d and 34th Streets and piled up the goods on the road. Some people were seen trying to set fire to a [word indistinct] car from a garage at the corner of Barr Street by overturning it and opening up the gas tank. Someone from a nearby building threw down matches to the people who burned the car. It was a concerted act. After attacking government cars and buildings in Pansodan area, the struggle was now targeted at the No. 1 Department Store; it was also burned and destroyed.

By that time, the students had separated into groups of four to six and had joined the crowds. They operated in an admirable manner in taking charge as vanguard units. When the students left after burning the department store, the people assisted in keeping it alight. The students moved separately toward the Central Cooperative Office and the Theingyizay market. One report said a vanguard unit made up of female students operated admirably in a cool and collected manner.

The security forces and the fire engines were at a loss where to go as the No 1 Department Store and the Central Cooperative Office were both alight. The students could not be arrested as they merged in with the people. While the authorities were running in a frenzy, like a mad man encircled by fire, the people destroyed the fire engines which had arrived at the scene. The enemy's transport was cut off within Rangoon City.

There was one more [word indistinct]. At 1400, while chaos ruled, offices in the city were closed down. As the office workers walked out to the streets they mingled with the demonstrating mobs, and the police and the security forces personnel were completely at a loss. The mobs showing their hatred [words indistinct] the cars belonging to the security personnel and parked at [name indistinct] traffic lights. The people (?clashed) with the police, and it was learned that the police finally fired on the people.

The stories about anti-military government activities are many and varied. In defiance of the government, over 100 houses were built overnight at Tamwe Ohsu lot left vacant after a fire, and over 60 houses were similarly built overnight at fire hit the Kamayut No 5 ward. A novel in memory of late Ko Phone Maw was published at the Institute of Medicine 2, and a strike was organized with chants of Down with Ne Win and San Yu and Down with the murderous policies of the military government.

Part 5. Supplementary News

The following reports were collected from students who were sent to Insein Jail. Students from the Rangoon Institute of Technology were released from detention the next day, but students from the Rangoon University were interrogated individually. [passage indistinct] Some were jailed, some were [words indistinct]. Students not considered important were released. It is learned that there were between 3,000 and 5,000 students in detention.

Here is a list of those killed according to the information I have been able to gather so far:

A total of 41 students died, 28 (?on the streets) and 13 after arriving at Insein. The death toll could be up to 70 if one takes into account those who died at home because they were afraid to seek medical treatment at [words indistinct].

It is also estimated that there were over 100 deaths among the people, monks, and [words indistinct].

From the reports I have presented, it can be seen very clearly that the military government is economically, politically, and organizationally bankrupt and that the antagonism between the people and the military government is indeed very serious. You, comrades, would recognize the unique features and the difference between this uprising and previous ones, particularly the widespread participation. As an eyewitness, I am totally convinced that the [words indistinct] will continue to exist as long as the military government survives.

Malaysia

Barisan Components Parties Support Expulsion

BK2505094888 Kuala Lumpur NEW STRAITS TIMES in English 23 May 88 p 1

[Text] Kuala Lumpur, Sun.—Barisan Nasional component parties are supportive of UMNO's (United Malays Nasional Organization) recommendation to expel from the coalition its MPs and state assemblymen who refuse to join the new party.

MIC (Malaysian Indian Congress) President Datuk Samy Vellu said today his party would support the move.

He felt that these people who were elected on the Barisan ticket had no right to declare themselves independent Barisan representatives of the people.

Datuk Samy Vellu was commenting on a statement by Datuk Sri Dr Mahathir Mohamed who said the party would recommend that all MPs and state assemblymen from the old UMNO who refuse to join the new party be expelled from the Barisan Nasional.

Dr Mahathir also said that generally those who refused to join the new party would also be recommended for expulsion from the Barisan.

The recommendation would be submitted to a supreme council meeting to be held before Parliament reconvenes next month.

Johor Baru MP Datuk Sharir Samad, Sungai Benut MP Tawfik Tun Dr Ismail and Kangar MP Datuk Radzi Sheik Ahmad have publicly declared that they would not join UMNO and that they now consider themselves Independents.

Gerakan president Datuk Dr Lim Keng Yaik said the MPs and state assemblymen, who won their seats on a Barisan ticket, were still members of the coalition unless the Barisan council decided otherwise.

People's Progressive Party president Senator Paramjit Singh said his party was generally supportive of UMNO's recommendation as this was always the practice in the past.

However, he said the question of expulsion was not really necessary because the three MPs had already declared themselves Independents.

In Ipoh, Perak Menteri Besar [Chief Minister] Datuk Sri Ramli Ngah Taib said that no decision had been taken on the status of Perak State Assembly Speaker Datuk Haji Abdul Malik who has been linked with efforts to revive the old UMNO.

Court Dismisses Suit Against New UMNO

BK2505135488 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 25 May 88

[Text] The Kuala Lumpur High Court has rejected the suit brought by former Prime Ministers Tunku Abdul Rahman Putra and Tun Hussein Onn and former Agriculture Minister Datuk Abdul Manan Othman against Dr Mahathir Mohamed and Mohamed Rahmat as president and secretary general respectively of the UMNO, United National Malays Organization, Baru—New UMNO. Justice Datuk Ajaib Singh in dismissing the suit ruled that the suit was without any merit or substance, and there was no basis whatsoever on which the court could grant an injunction.

The three members of UMNO Lama—Old UMNO—had applied for a court order to stop UMNO Baru from recruiting members, transferring the assets of the UMNO Lama to the UMNO Baru, and stopping the party from making statements on the proposed UMNO Malaysia.

However, the High Court has allowed the three plaintiffs to appeal to the Supreme Court.

Singapore

Foreign Minister on U.S. Relations

BK2605125688 Singapore Domestic Service in English 1100 GMT 26 May 88

[Text] The foreign minister, Mr S. Dhanabalan, has said we must keep the whole episode of interference by U.S. officials in Singapore's domestic politics in perspective. We should not allow the actions of a few errant individuals to cloud our broader interests.

Mr Dhanabalan said we are angry reacting to Hendrickson and others, but it is an anger mixed with sorrow and disappointment. It is not a vengeful anger. He stressed that Singapore's response must continue to be cool, moderate, and precise. It must not be exaggerated and alarmist.

Mr Dhanabalan was speaking in Parliament during debate on a motion asking the House to support the government's strong action to prevent Singapore from being subverted by foreign elements. He said Singapore and the United States have common interests and objectives, both in economic and strategic areas. The United States had expended blood and treasure in eastern Southeast Asia to help bring about what we have today. Between 1965 and 1973, the United States defended South Vietnam from communist invasion. It gave Singapore and the other ASEAN countries almost a decade of peace in which to develop our societies and economies. Singapore otherwise would have been a very different place.

Mr Dhanabalan said that today only the United States can balance the Soviet presence in Southeast Asia. U.S. commitment to the stability of Southeast Asia is vital to the peace and progress of Singapore and our region. The foreign minister said we must not allow our adversaries to profit by this unfortunate incident of interference in Singapore's domestic politics by some U.S. officials. We must put the incident behind and continue developing our relations with the United States on the basis of respect on each other's sovereignty and mutual benefit.

Gen Lee on Seow-Hendrickson Affair

BK2505153688 Singapore Domestic Service in English
1400 GMT 25 May 88

[Text] The minister for trade and industry, Brigadier General Lee Hsien Loong, has recounted the facts in the case concerning Francis Seow and attempts by American officials to interfere in the domestic politics of Singapore. He described how Francis Seow's statutory declaration revealed that E. Mason Hendrickson had cultivated and propositioned him and urged him to enter politics against the government. He also revealed how Francis Seow's sworn statement confirmed Seow's involvement with the U.S. diplomats and officials, and in a much bigger role than Patrick Seong.

Gen Lee was speaking in Parliament during debate on a motion asking the House to support the government's action to prevent Singapore from being subverted by foreign elements.

Gen Lee also explained that Seow's financial affairs were among the many reasons the government became suspicious. Although investigations into this are still under way by the Internal Security Department [ISD], Gen Lee said a suspicious pattern has come to light. Seow still owes various people \$1.2 million [Singapore dollars]. Among them was Mei Siah, alias (Sia Meng Gua), his girlfriend in Kuala Lumpur who lent him \$350,000 to repay an overdraft from the (UNBC) in August 1986.

Seow had also been withdrawing large sums from his company, always more than he put in. Between 1975 and 1987, Seow's firm earned \$705,000. Yet, in a single day he withdrew more than \$1 million. The firm's net capital

was in deficit of some \$300,000. When Seow made his repayments, he did so in cash and checks but the sum was always less than what he took out. But there was an abrupt change in the pattern in 1987. Gen Lee said Seow repaid \$203,000 in 21 installments. One installment was \$100,000 and another \$55,000. This was the first time that deposits by Seow exceeded withdrawals, and it was the first time too that all the deposits were in cash.

Gen Lee said Seow claims to have received \$50,000 in cash this year from one of the (Low) brothers in the Kah Wa Bank in Hong Kong. Gen Lee questioned why Mei Siah and the (Low) brothers should want to lend money or make such generous donations to someone like Seow who is known for his credit unworthiness. He said that whether ISD investigations would reveal the ultimate donor remained to be seen. But whatever the results might be, Gen Lee said, Seow's finances raised many questions.

Gen Lee said what Hendrickson did was grossly improper and unbecoming of a diplomat. Singaporeans, who find it difficult to imagine that a friendly power like the United States can be a threat, should consider the analogy of Singapore diplomats doing what Hendrickson, Lambertson, and Snyder did in Malaysia to the DAP [opposition Democratic Action Party]. Gen Lee said the Malaysian Government would justly be outraged.

Gen Lee asked what was the meaning behind the blanket denial by the U.S. Embassy in Singapore of the activities of Hendrickson. Did it mean that the embassy was claiming that the meetings reported by Patrick Seong and Francis Seow never took place? Did it mean that the meetings took place but were innocent? Did the meetings take place but Seong and Seow had totally misunderstood the American officials? Or does it now mean that [words indistinct] that the officials did everything as described but they were [words indistinct] to do so and would continue to do so in future.

Gen Lee pointed out that the three American officials directly involved in the meeting had not themselves denied anything in the statutory declaration or the Singapore Government's [word indistinct]. Gen Lee wonders why they were not challenging the Singapore Government. He said the government invited the American officials involved to offer themselves for cross-examination so as to get to the bottom of the matter. Their accounts should be matched with those of Patrick Seong and Francis Seow. That would show who was lying. If the American officials were reluctant to do this face to face, they could (?do so via) satellite television. Then the whole of Southeast Asia could see what the American diplomats have been doing and the American State Department officials could clear their names honorably.

Gen Lee reiterated that foreigners must be kept out of domestic politics. He said for Singapore, this was not just a question of abstract moral principles, but an issue of

life and death. Gen Lee noted that some people say the Americans did not mean to do Singapore harm. (?Thus), if we assume they intended to do well, Gen Lee wondered how any official like Hendrickson, whose total experience in Southeast Asia consists of a few years in Thailand and the Philippines, could possibly have any inkling of how Singapore works.

Gen Lee noted that even the 77 MP's loyal to Singapore, [words indistinct] difficult responsibility deciding what is right for Singapore. He asked how a foreigner, operating covertly behind the scenes, could do better for Singapore even assuming that he meant well.

Gen Lee asked why should an American career diplomat (?think the national advancement depended on the U.S.), risk his career, future (?and express his loyalty) for Singapore. Suppose Hendrickson's proteges were elected as MP's in the next elections? Gen Lee wondered whether they would swear to bear true faith and allegiance to Singapore or whether they would swear to preserve, protect and defend the U.S. Constitution.

Gen Lee said Singapore is a very open society which welcomes foreigners. But, he says, no foreigner, whether he be a diplomat, foreign correspondents, or human rights activists, should meddle in domestic politics. He warned that such people would be stopped. If he is a diplomat, he will be expelled; if anyone else, he will be arrested. Gen Lee stressed that politics in Singapore was strictly for Singaporeans. If we let others join in, Singapore would surely be destroyed.

Lee Kuan Yew Files Suit Against Devan Nair
BK2505161888 Singapore Domestic Service in English
1400 GMT 25 May 88

[Text] The prime minister, through his lawyers, have started legal proceedings for libel against Mr C.V. Devan Nair.

A writ of summons and statement of claim were filed in the High Court this afternoon by the legal firm of Lee and Lee. The statement of claim states that Mr Lee Kuan Yew is seeking damages for libel contained in words spoken in broadcasts by Mr Devan Nair during a BBC program. The broadcast program was received in Singapore on the 22d of this month.

Mr Lee is also claiming damages for libel contained in a press statement issued by or on behalf of Mr Devan Nair around the same day. Among other things, the prime minister is claiming an injunction to restrain the defendant from further publishing the words or similar words that defame him.

According to the statement of claim, the words by the defendant meant that when Mr Lee was in the Malaysian Parliament from 1963 to 1965, he had joined in the

plans of foreign powers to interfere in Malaysia's internal affairs. This meant subverting the independence, integrity, and sovereignty of Malaysia.

The statement of claim says the words by the defendant also meant that when Mr Lee was in the Malaysian Parliament, he was guilty of a misconduct, which would have justified his immediate arrest and detention.

The filing of the writ of summons and statement of claim by the prime minister follows the defendant's refusal by 4 pm today to retract the allegations and apologize in all the national newspapers, among other things.

As Mr Devan Nair is not in Singapore, he was being given until 4 pm on Friday [27 May] to name his solicitors here to accept service of the writ. If this is not done, the prime minister's lawyers will apply to the High Court for leave to serve notice of the writ on Mr Devan Nair outside Singapore.

Meanwhile, the prime minister's lawyers have received a letter from Mr Devan Nair from Hong Kong, saying that as he was on his way to the United States to fulfill a [word indistinct] commitment, he was unable so far to arrange for a solicitor to represent him in Singapore. In his letter, however, Mr Devan Nair denied accusing Mr Lee of collaborating and colluding with foreign powers in an attempt to interfere in Malaysia's internal affairs. Mr Devan Nair says all he suggested was that Mr Lee and his political colleagues, including himself, had exercised their legitimate rights to convey to friendly countries an understanding of their political aims when they were part of Malaysia. He says he would have defamed himself, let alone Mr Lee, to suggest that their motives in doing so were base and improper. Mr Devan Nair also says that neither Mr Lee nor his political colleague were ever guilty of political misconduct through their dealings with foreign circles when they were members of the Malaysian opposition.

Mr Devan Nair says what he meant was that it would have been an appalling misuse of the Internal Security Act, if the then Malaysian prime minister, Tengku Abdul Rahman, had arrested Mr Lee and his political colleagues when they were not guilty of any such misconduct. [sentence indistinct]

Mr Devan Nair says he has also expressed his concern that the Singapore Government should accuse, arrest, and detain Francis Seow who, he felt, had not been proven guilty of any misconduct in his dealings with officials of a friendly government.

Cambodia

Ministry Communique on SRV Troop Pullout
BK2605114988 Phnom Penh Domestic Service in
Cambodian
1106 GMT 26 May 88

[26 May communique of the PRK Ministry of National Defense—read by announcer]

[Text] In the past as well as at present, whenever Cambodia encounters difficulties, it always asks Vietnam for help. For its part, the latter always responds to the request of the Cambodian people while respecting Cambodia's national independence, sovereignty, and territorial integrity and its right to self-determination. And whenever the situation in Cambodia returns to normal, Vietnam always withdraws its volunteer troops from Cambodia.

After closely cooperating with the Vietnamese Army volunteers in overthrowing the genocidal Pol Pot regime, the PRK has effectively controlled the whole national territory. For the past nearly 10 years, the PRK has grown up and made steady steps forward, advancing gradually toward assuming the national defense work by itself, thus creating favorable conditions for six annual partial withdrawals of Vietnamese volunteer troops from Cambodia.

The PRK wishes to express its high admiration at and undying gratitude to the Vietnamese Army volunteers who have successfully fulfilled their proletarian internationalist mission in Cambodia.

In accordance with the development of the situation of the Cambodian revolution at present and in furtherance of the implementation of the Cambodian-Vietnamese-Lao summit conference declaration of February 1983 and with the unswerving agreement between the PRK and the SRV on annual troop withdrawals and the withdrawal of all Vietnamese volunteer troops by 1990, the Governments of the PRK and SRV agree to the following decision:

1. To withdraw in 1988 50,000 Vietnamese Army volunteers who have fulfilled their proletarian internationalist duty in Cambodia. The withdrawal of this large number of Vietnamese Army volunteers will proceed from June to December 1988 through many channels, both overland routes and waterways.
2. At the same time as the Vietnamese Army volunteers are repatriated, the Supreme Command of the Vietnamese Army volunteers in Cambodia will also be withdrawn back to Vietnam in 1988.
3. The remaining Vietnamese volunteer troops in Cambodia will be put under the command of the PRK and will be completely pulled out and return home in 1990.

[Date] Phnom Penh, 26 May 1988

[Signed] Ministry of National Defense of the PRK

Heng Samrin Receives New Soviet Ambassador
BK2605062188 Phnom Penh SPK in French 0411 GMT
26 May 88

[Text] Phnom Penh, 26 May (SPK)—The new ambassador extraordinary and plenipotentiary of the Soviet Union, K.R. Luftulovich, presented his credentials to Heng Samrin, chairman of the Council of State of the PRK, in Phnom Penh yesterday morning.

Chairman Heng Samrin called the diplomat's mission in Cambodia an active contribution to the strengthening of the bonds of friendship, solidarity, and all-round cooperation between the two countries.

After expressing his full support for the peace initiatives of the Soviet Union, the Cambodian leader deeply thanked the Soviet party, government, and people for their support to the Cambodian revolution.

For his part, K.R. Luftulovich highly appreciated the remarkable achievements recorded by the Cambodian people during the past 9 years in national defense and reconstruction.

He pledged to do his best to further strengthen the bonds of friendship and cooperation between the two countries.

The Soviet diplomat conveyed the fraternal salutations of USSR leaders to Chairman Heng Samrin and other Cambodian leaders.

Heng Samrin Chairs State Council Meeting
BK2605061788 Phnom Penh SPK in French 0414 GMT
26 May 88

[Text] Phnom Penh, 26 May (SPK)—The PRK Council of State has decided to confer medals on units and individuals who gained distinction in the 1987 emulation movement and to grant amnesty to reformed prisoners.

Meeting in Phnom Penh on 21 May under the chairmanship of Chairman Heng Samrin, the council heard a report of the Council of Ministers on the implementation of the socioeconomic tasks during the first quarter of 1988, and approved changes in the Council of Ministers and other problems. It also decided to amend article N-19 of the Constitution concerning trade activities.

VODK Says Army No Match to Resistance Forces
BK2605081588 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 25 May 88

[Station commentary: "The Hanoi Vietnamese Enemy Aggressors Cannot Create a Puppet Power in Cambodia and Use It To Replace the Vietnamese in Waging Their War of Aggression and Genocide Against Cambodia in 1990 or Any Other Year"]

[Text] Hanoi's Foreign Minister Nguyen Co Thach recently told AFP that the puppet Army that Vietnam has built in Cambodia is now increasingly capable of

withstanding the National Army of Democratic Kampuchea [NADK]. He then reaffirmed that Vietnam would completely withdraw troops from Cambodia in 1990. Nguyen Co Thach went on to say that the NADK is no longer a danger to the Vietnamese puppet regime in Phnom Penh.

However, foreign humanitarian aid officials and foreign tourists who visited Phnom Penh said that along with reports that the Army of the Phnom Penh puppet administration is playing a bigger role in national defense, Cambodia's security situation this year is worsening everywhere in the country. They contended that both the countryside and Phnom Penh have come under repeated resistance attacks, particularly with hand grenades. At the same time, a newspaper of the Vietnamese authorities in Phnom Penh, PRACHEACHON also openly admitted that the Vietnamese puppet forces in Phnom Penh are no match for the Cambodian resistance forces without the presence of the Vietnamese troops. It also confessed that the puppet Army is weak all around and needs to be developed and reorganized in all domains.

The above-mentioned remarks by foreign humanitarian aid officials and tourists and confessions of the Vietnamese puppet newspaper show without ambiguity that Nguyen Co Thach's words are nothing but lies and deception. On the Cambodian battlefield, even the Vietnamese aggressor troops—so proud and irrepressible in 1979—have become dispirited by and apprehensive of the guerrilla war of the NADK and Cambodian people, not to mention the puppet troops forcibly recruited by the Vietnamese to serve them. One after another and in growing numbers, they have deserted their ranks, fled from the battlefields, and returned to Vietnam. There are cases in which some Vietnamese soldiers shot and crippled themselves just to avoid being sent to the front.

As for the fraternal Cambodian soldiers forcibly drafted by the Vietnamese, not only have they refused to fight against their fellow Cambodians for the benefit of the Vietnamese war of aggression and genocide in Cambodia, but they have even contributed to counterattacking the Vietnamese enemy aggressor troops and have joined with the NADK in crushing the latter successively and with growing vigor.

In fact, during the past 10th dry season, they rioted against the enemy aggressors, killing or wounding more than 600 Vietnamese soldiers before defecting to the NADK side or fleeing home in groups, platoons, companies, and even battalions. There were more desertions than during the previous dry season. This caused the puppet Army units, painstakingly built up by the Vietnamese enemy, to be scattered to the point that some of the units completely disintegrated, such as the 92d Division based on the Peam Ta battlefield.

As for the forcibly installed Cambodian officials and administrative agents, they have also refused to serve the

Vietnamese. They have joined with the NADK in scattering and destroying the Vietnamese village and commune administrative networks and, together with the Cambodian people, in actively and enthusiastically supporting the NADK.

For these reasons, the Vietnamese enemy can never create a Vietnamese puppet power in Cambodia and use it to replace the Vietnamese in waging a war of aggression against Cambodia, be it in 1990 or in any other year. On the contrary, Vietnam has successively sent its troops, administrative agents, and citizens totaling more than 1 million persons to Cambodia to directly run its aggressive administration in Cambodia—both military and civilian—from the top rank down to the village and commune levels. This is the truth.

No matter how skillful the Hanoi aggressors may be in making lies and in fooling other people, they cannot conceal the facts. The world will continue to press the Hanoi authorities even more energetically to force them to completely withdraw their aggressor troops from Cambodia and let the Cambodian people quickly decide their own destiny in accordance with UN resolutions.

Train Hits Landmine Near Pursat Battlefield
BK2605003688 (*Clandestine*) Voice of the National
Army of Democratic Kampuchea in Cambodian
2315 GMT 25 May 88

[Text] On 18 May, a Vietnamese train, traveling from Kompong Chhnang to Pursat, hit a landmine east of Totoeng Thngay station in Krakor District on Pursat battlefield. We destroyed the locomotive, a wagon, a 12.8-mm machinegun, four AK's, and some war materiel; and killed four Vietnamese enemies and wounded seven others.

Indonesia

Iranian Oil Minister Begins Visit
LD2505182488 Tehran IRNA in English 1645
25 GMT May 88

[Text] Tehran, May 25, IRNA—Iranian Oil Minister Gholam Reza Aqazadeh arrived in Jakarta Wednesday from Abu Dhabi on the third leg of his visit to three oil producing countries. He was welcomed at the airport by Indonesian Mining and Energy Minister Ginanjar Kartasasmita.

Cooperation between OPEC and non-OPEC oil producers was among important issues discussed by Aqazadeh and his counterparts in Oman and United Arab Emirates (UAE) before coming to Indonesia.

During his stay in Jakarta, Aqazadeh is to confer with Indonesian President Suharto, Mining and Energy Minister Kartasasmita and Minister of State for Research and Technology B.J. Habibie. He is also to inspect a plane manufacturing factory in Bandung.

While in Abu Dhabi, Aqazadeh conferred with U.A.E. President Shaykh Zayid ibn Sultan al-Nuhayyan, ruler of Sharjah Shaykh Sultan ibn Muhammad al-Qasimi, Petroleum Minister Mani' Sa'id al-'Utaybah and Defence Minister Shaykh Muhammad ibn Rashid al-Maktum on oil and issues of mutual interest.

UAE media attached high importance to the Aqazadeh's visit, and said Aqazadeh and Al-'Utaybah have precisely reviewed issues which are to be set forth in the next OPEC session to be held next month, and stressed on the need for efforts for unity and boosting oil prices.

Aqazadeh arrived in Abu Dhabi from Muscat, Oman, Monday for a two-day visit.

Pays Courtesy Call on Suharto

BK2605092088 Jakarta Domestic Service in Indonesian 0700 GMT 26 May 88

[Text] President Suharto has agreed to Iran's offer to buy from that country about 30 to 40 percent of Indonesia's daily oil consumption of 80,000 barrels, which Indonesia has thus far imported from Saudi Arabia. Iran will in turn buy various commodity goods from Indonesia to meet its domestic needs.

Mining and Energy Minister Ginanjar Kartasasmita made the disclosure after he accompanied his Iranian counterpart, Gholam Reza Aqazadeh, to pay a courtesy call on President Suharto at the Bina Graha presidential office this morning. Ginanjar added that the price of the Iranian oil would be further discussed by the oil ministers of the two countries. However, the price will definitely be lower than that bought from Saudi Arabia.

Meanwhile, the Iranian petroleum minister said he appreciated Indonesia's efforts to help stabilize the world oil price, which has recently tended to decrease. Indonesia's efforts include lobbying with non-OPEC producers to reduce their oil production and urging OPEC members to comply with all OPEC resolutions.

Minister Orders End to Pirated Tapes Sales

BK2605010688 Jakarta Domestic Service in Indonesian 0000 GMT 26 May 88

[Text] Justice Minister Ismail, as chairman of the Copyright Council, has ordered audio recording producers to immediately stop the sale of pirated cassettes throughout Indonesia. Speaking after a meeting of the members of the Copyright Council in Jakarta, the minister stressed that the order goes into effect on 26 May 1988. If the producers are unable to retrieve the pirated cassettes, they will at least have to inform their distributors to stop the sales. There are now an estimated 3 million pirated cassettes worth 6 billion rupiah.

The justice minister reminded the audio recording producers that compliance with his order will demonstrate their goodwill as national businessmen to protect a consensus between the Indonesian Government and the EC.

Philippines

Pakistani Leader's 'Special Mission' for U.S.

HK2605065088 Manila THE MANILA CHRONICLE in English 26 May 88 pp 1, 8

[By staff member Marites Sison]

[Text] Pakistani Prime Minister Mohammad Khan Junejo, who is due in Manila tomorrow for a state visit, is on a special mission for the United States, a senior official of the foreign office said yesterday.

The official, who spoke on condition of anonymity, said the Pakistani leader would try to persuade the Philippine Government to keep the American bases here after 1991 and, in return, would promise to withdraw its "overt support" for Muslim secessionist groups in Mindanao.

Pakistan is heavily dependent on the U.S. for defense and aid.

The official said Pakistan had been violating the 1970 United Nations declaration on principles governing friendly relations among states by offering sanctuary and moral support to leaders and members of the Moro National Liberation Front (MNLF) and the Moro Islamic Liberation Front (MILF).

He said Habib Hashim, MNLF chief negotiator in the Mindanao peace talks, maintained a "safehouse" in Islamabad, while the MNLF had a training camp somewhere in Pakistan.

The official said there was a perception in the foreign office that Pakistan had instructions from Washington to persuade the Philippines not to let the U.S. bases go after 1991, the year the present military bases agreement expires.

He claimed that the U.S. had been taking every opportunity to gain the upper hand in the ongoing review of the bases agreement by letting its allies come into the picture.

The official disclosed that the U.S. had interfered in the MNLF problem when it persuaded Jordan in March this year to withdraw its support for an MNLF campaign to upgrade its observer status and gain full membership in the influential Organization of Islamic Conference (OIC).

Before the OIC conference opened in Amman, Jordan, U.S. Secretary of State George Shultz reportedly held a secret meeting with King Husayn of Jordan and Jordanian Foreign Minister Tahir al-Masri, chairman of the 17th OIC conference.

On the third day of the conference, Al-Masri issued a statement that the MNLF could not be accepted as an OIC member because it was not a sovereign state.

The OIC secretary general, Sharrifuddin Pirzada, is himself a Pakistani and a known avid supporter of the MNLF.

In "helping" the Philippines fend off the MNLF bid, the official said, the U.S. was obviously trying to make the Aquino Government indebted to Washington.

The U.S. apparently is now trying to "collect," the official said. "Sisingil na ngayon yan." ["They are going to collect now."]

The official added that it was a widely shared view in the foreign office that the visit tomorrow of another foreign dignitary—Sir Geoffrey Howe, the British secretary of state for foreign and Commonwealth affairs—was also tied to the bases question.

"The United Kingdom and the U.S. are like first cousins," the official said.

What he meant was that the two countries share common positions on many issues, including defense and security.

Another source in the foreign office earlier said the U.S. was "marshalling everybody to gang up on (the Philippines)" on the bases issue.

The official said Pakistan and the Philippines, former military allies in the defunct Southeast Asia, Treaty Organization (SEATO), were both important links in the American chain of defense in Southeast Asia.

"He (Junejo) is coming to tell us, please don't break the link, and we will help you with the Muslim problem," the official said.

He explained that Pakistan was relying heavily on the U.S. for aid and defense against possible hostility either from the Soviet Union, which is occupying Afghanistan, or from India, which maintains close relations with the Soviet Union.

Pakistan, the third largest recipient of American foreign aid, gets an annual aid of \$2 billion from the U.S. Last year, the Pakistani air force received the sophisticated aircraft F-16s, also from the U.S.

Pakistani President Mohammad Ziaul Haq, a former commander of the Pakistani air force, is a very close U.S. ally. He assumed power after ousting the President Ali Bhutto, who was later jailed and hanged.

The official said that, in giving sanctuary to Muslim rebels from the Philippines, Pakistan had violated the following provisions of the UN declaration on principles governing friendly relations among states:

—Every state has the duty to refrain from organizing or encouraging the organization of irregular forces or armed hands, including mercenaries, for incursion into the territory of another state."

—"No state or group of states has the right to intervene, directly or indirectly for any reason whatever, in the internal or external affairs of any other state."

The official claimed that, aside from giving sanctuary, the Pakistani government had assisted the MNLF in publishing and distributing propaganda materials against the Aquino Government.

To further prove that official contact between the MNLF and the Pakistani government exists, the official noted that when Desdemona Tan, wife of MNLF Chairman Nur Misuari, died last year, Pakistani President Mohammad Ziaul Haq attended her wake.

The official traced Pakistan's involvement with Muslim secessionist groups to the early 1960s when it sent many of its "tiblig" or missionaries to Mindanao to promote Islamic consciousness and "Muslim unity and solidarity."

He said those visits were made possible because Pakistan and the Philippines had maintained very good relations and had many cultural agreements.

The official said that, although the Philippine Government was aware of the extent of Pakistan's alleged support for Muslim groups here, it never filed any diplomatic protest or threatened to break diplomatic relations.

"There was no sense doing it because they would deny it anyway," he said.

In 1981, however, he said the Marcos government conveyed its concern to the Pakistani foreign ministry.

The official said President Aquino had been advised to raise the issue of Pakistan's "overt support" for the MNLF when she meets with Junejo on Saturday.

Sources said Peace Commissioner Alfredo Bengzon was in charge of preparations for Mrs Aquino's meeting with Junejo.

The official conceded that withdrawal of Pakistan's support for the MNLF would "definitely help" the Philippines.

10 NPA Hitmen Reported in Olongapo City
HK2605072388 Manila MANILA BULLETIN
in English 26 May 88 pp 1, 20

[Text] Balanga, Bataan—A rebel returnee said yesterday that 10 New People's Army (NPA) Sparrow hit men are deployed in Olongapo City to carry out liquidation orders from leaders of the revolutionary movement in Central Luzon.

Targets of the NPA "Death Squad" are top civilian officials and ranking military personnel of the U.S. Naval Base in Subic, the former NPA rebel, who spoke on condition of anonymity, said in an interview in Balanga.

An "undesirable" civilian official tops the NPA hit list, the informant said.

The rebel returnee said the NPAs will step up their liquidation operations against soldiers and policemen in Metro Manila, U.S. military personnel in Central Luzon, and civilian agents involved in the anti-insurgency drive.

Bases Labor Agreement Talks Panel Formed
HK2605074188 Manila BUSINESS STAR in English
26 May 88 p 24

[Text] The Philippine panel which will sit down with its U.S. counterpart to review the Bases Labor Agreement has already been formed, Labor Secretary Franklin Drilon, who heads the panel, said yesterday.

A separate review of the Base Labor Agreement (BLA) was the first item agreed by the Philippine and U.S. panels reviewing the Military Bases Agreement (MBA) when the MBA review started April 5.

Both panels had agreed that the labor issue was of "major importance". It was also agreed that the separate BLA review will be held simultaneously with the MBA review.

No date has been set for the convening of the BLA review but Drilon has said he would prefer that the review starts in June.

The members of the BLA panel from the labor department as recommended by Drilon are: Labor undersecretary for workers' protection and welfare Ricardo C. Castro, BLA vice-chairman and head of the negotiating panel which will tackle the technical review; assistant secretary for labor relations Cresenciano B. Trajano; and Bienvenido Laguesma, administrator of the National Conciliation Mediation Board.

Manglapus has recommended Foreign assistant secretary for international labor Israel Bocobo of the Department of Foreign Affairs to sit in the panel.

Other members of the panel are the two Filipino deputy base commanders, Col. Cesar L. Go at the Clark Air Base and Brig. Gen. Artemio Tadiar at the Subic Naval Base.

'Asking Price' for Bases Not Yet Discussed
HK2605074788 Manila PHILIPPINE DAILY GLOBE
in English 26 May 88 p 4

[Text] Foreign Affairs Secretary Raul S. Manglapus said yesterday that the Philippine panel has not yet unwrapped its "asking price" for American use of Clark and Subic bases from 1989 to 1991.

"We have not yet discussed that," Manglapus told the GLOBE after a luncheon in honor of departing Chinese Ambassador to the Philippines Chen Songlu.

He said the Philippine and U.S. panels in the ongoing review of the Military Bases Agreement (MBA) have held only "general discussions" on the issue of compensation. No specific amount has been tabled.

A senior aide of Manglapus said the "general discussions" were preliminary attempts to arrive at a formula on how to compute the cost of hosting the U.S. military facilities.

The aide said the Philippine panel has to discuss first with the American side the premise on which the asking price shall be based.

That premise, the aide said, includes the economic costs of maintaining the bases. "How much would the Philippines gain from the territories being leased if the U.S. bases were not here?" is a question that is most relevant in finding out the cost of maintaining the bases, he said.

He added that the political cost of maintaining the bases is "unquantifiable" and "beyond arithmetic."

The aide said the Philippine government is under tremendous political pressure from a substantial sector of the population to abrogate the MBA and to link the review to the tenure of the bases.

In previous statements, Manglapus has indicated that the Philippine panel will demand "billions and billions of dollars" in compensation for the lease of six U.S. bases, the biggest of which are Clark and Subic.

Bases Panels To Tackle AIDS Problem

HK2605041688 Quezon City Radyo ng Bayan in Tagalog 0200 GMT 26 May 88

[Text] The panels of the Philippine and United States Governments which are reviewing the Military Bases Agreement have agreed to tackle the problem of AIDS. Some AIDS cases have been reported in Angeles City where Clark Air Base is located, as well as in Subic Naval Base in Olongapo City.

At the moment, the panels have set aside discussions about payment for the bases to tackle the matter of the country's security. Meanwhile, spokesmen of both panels say that details of the agreement will not be disclosed, as it has still not been decided which language [as heard] they will be using.

Senate Unanimously Passes Antinuclear Bill

HK2605013688 Manila Far East Broadcasting Company in English 2300 GMT 25 May 88

[Text] The Senate unanimously passed, on second reading last night [25 May], a firm, [words indistinct] antinuclear measure which senators say would emasculate the American military bases here and drastically alter RP [Republic of the Philippines]-U.S. relations. Senators Wigberto Tanada and Aquilino Pimentel Jr, the primary sponsors of the no-nukes measure, were likewise elated by the outcome of the vote. Opposition Senator Juan Ponce Enrile said the passage of the bill into law would emasculate the U.S. military bases here.

Accord Signed With U.S. on Rice Grant

HK2605105388 Quezon City GMA 7 Radio-Television Arts Network in Tagalog 1030 GMT 26 May 88

[Text] An agreement was signed today by Finance Secretary Vicente Jayme and U.S. Ambassador Nicholas Platt whereby the United States is to present the Philippines with P400 million worth of rice. Secretary Jayme thanked the U.S. for the grant which will cover 75 percent of the projected rice shortage this year.

[Begin Jayme recording in English] This follows an earlier concessional loan of \$30 million under PL480 Title One [as heard]. Together, 150,000 metric tons shall be forthcoming to cover the estimated shortfall of about 200,000 metric tons. This is a significant response to our needs, and again demonstrates the strong support of the United States Government to the Aquino government. [end recording]

Meanwhile, Ambassador Platt remarked that a \$20 million grant may also be used to fund health and agriculture programs.

Malaysia Ignores Manglapus' Note on Seamen

HK2605075388 Manila PHILIPPINE DAILY GLOBE in English 26 May 88 p 2

[Text] The Malaysian cabinet has disregarded the request of Foreign Affairs Secretary Raul Manglapus for the release of 49 crewmen of three Filipino fishing vessels, a senior official of the Department of Foreign Affairs [DFA] said yesterday.

Instead of responding to the request of Manglapus, the Malaysian government has given the go-signal to its prosecutors to proceed with the trial against the 49 Filipino fishermen, the DFA official who requested anonymity, said.

The Filipino fishermen, crewmen of F/"Jasmine," F/B "Ranger" 15 and F/B "Ranger" 17, are now in Kota Kinabalu facing charges of violating Malaysian laws on fishing.

The Filipinos have been charged with fishing in an area approximately 127 miles from Lipat in the district of Kota Kinabalu in Sabah.

The incident occurred last April 5 near the Commodore Reef, an area claimed by both Malaysia and the Philippines.

Philippine authorities have protested the arrest of the fishermen and the seizure of the three boats, arguing that the area is still part of Philippine territory based on Philippine laws.

Columnist Views Cooperation With USSR

HK2605080188 Manila BUSINESS WORLD in English 26 May 88 p 4

["On the Other Hand" column by Antonio C. Abaya: "Dealing With the Soviets"]

[Text] If there were no Marxist-Leninist insurgency raging in practically every province in the Republic, there should be no hesitation about cultivating more economic and other ties with the Soviet Union, which by sheer size and power is one of the most important countries in the world.

However, since the CPP [Communist Party of the Philippines]/NDF/NPA has established a threatening presence in practically every sector of Philippine society and is building strength towards the point of forcing the bourgeois Government to take it into a coalition, it would be foolish to throw caution to the winds and embrace the Russian bear without any reservation whatsoever.

Thailand, Singapore and some other Asian countries can afford to be relaxed in their relations with the Soviets because the Marxist-Leninist elements in their societies

are marginal and pose no real threat to them. Such is not the case here. The Philippine bourgeois Government is in very real danger of being overwhelmed by the Radical Left in the near future.

As argued in earlier columns, the dynamics of their history have brought the Russians sniffing at our door, apparently convinced that the Philippines is the softest spot in the periphery of their Empire and is therefore a prime candidate for the next country to be hijacked into their orbit.

Marxism-Leninism is not the motivation, only a convenient tool for developing local allies. The primary animus is Russian imperialism, the longest reigning and widest ranging imperialism in the world since 1480.

Does this mean then that we should isolate ourselves completely from the Soviets? Not necessarily. It merely means that we should be circumspect and cautious and should minimize opportunities for them to engage in political and ideological hanky-panky. At least while we are being threatened by the CPP/NDF/NPA.

Definitely, sending Filipino workers to Siberia is foolhardy. It amounts to giving the CPP/NDF/NPA the raw materials with which to build a Trojan Horse in the Siberian taiga, for re-export to the Philippines at the appropriate moment.

Allowing Soviet ships into Philippine waters, ostensibly for repairs in Cebu or Batangas, gives limitless opportunities for smuggling in arms and other war materiel for the insurgents. The Philippine navy is just not equipped to monitor the movement of possibly hostile ships in our territorial waters.

But there are areas for cooperation in which the Philippines can benefit from the experience and technology of the Soviet Union, without risking danger to our Government and society.

The Soviet Union, like many of the other socialist states, has an enviable system for discovering and developing gifted children from among its student population. This is done through a network of special schools for artistically gifted children in such fields as music, drama, ballet, painting, sculpture, etc. In the '70s, there were about 50 special art schools and 16 ballet schools, the most famous being the Kirov Ballet School in Leningrad.

Because of the high regard for culture and the arts in both the Russian tradition and in Marxist-Leninist theory, there is an explicit government policy to watch out for gifted children and to give them opportunities to develop their talents to the fullest. A similar system exists for the training of excellent athletes even from childhood.

That many of the best musical artists eventually defect to the West is beside the point. This is a positive institution in the Soviet system and one that the Philippines should adopt, with Soviet help. It is a tragic waste of human potential that most of our gifted children are not given the chance to develop their talents.

Another possibility for cooperation, with little risk to our security, would be for the Soviet Union to launch a Philippine communications satellite for use in educational television. It is about time that Philippine television was used for socially meaningful programming. Right now, about 80 percent of broadcast content is devoted to endless singing and dancing and alleged comedies that pander to the lowest taste.

Educational TV through satellite is used in India and Indonesia. It gives even the smallest school in the remotest (but energized) village access to modern visual aids and the latest information in all fields. Any strategy for modernization must include educational TV through satellite as a vital component, even if it means using Soviet technology.

A possible further area for cooperation could be in armaments. No country can claim true independence if it does not have a measure of self-sufficiency in its defense-capability. As mentioned in previous columns, the Indians manufacture under license the Soviet MiG-21 and MiG-23 fighter-bombers, and the Indian Navy has taken delivery of a nuclear-powered submarine from the Soviets, for future duplication in India.

One of the most effective military weapons in counter-insurgency is the helicopter gunship, of which the AFP [Armed Forces of the Philippines] does not have enough. If the Americans do not want to give us a helicopter manufacturing facility, perhaps the Soviets will.

Their Mi-24 "flying tank" is rated one of the most formidable in the world and, if manufactured here in sufficient numbers, would quicken the military defeat of the insurgency.

Such a facility would be incontrovertible proof that the Soviets do not support the CPP/NDF/NPA.

Military To Restrict Coverage of Guerrillas
HK2605030088 Manila Far East Broadcasting Company in English 2300 GMT 25 May 88

[Text] The Defense Department will soon declassify the names of 184 foreign and local journalists who have tagged along or interviewed New People's Army rebels. This was disclosed yesterday [25 May] by Acting Defense Secretary Fortunato Abat who said, however, that the liability of journalists tagging along with rebel forces would be on a case-to-case basis [as heard]. This means that the government will consider the substance of their stories and whether or not they constitute giving aid and comfort to the enemies of the state. The military has

obtained the list of 184 journalists from a printout of a computer diskette seized during a raid on a rebel safe-house in Marikina recently. The defense official said he would ask the International Press Center, through the office of Press Secretary Teodoro Benigno, to furnish the Defense Department with a list of accredited foreign journalists now in the Philippines. The military earlier had said that five Caucasian-looking journalists were seen by civilians during the ambush slaying of Army 1st Lieutenant Felix Brawner III and 11 other Scout Rangers in Bicol last February.

Meanwhile, the government will impose a ban on the coverage of rebel activities, claiming that reports of such activities give the Communist Party of the Philippines and its military arm, the NPA, undue publicity. Acting Defense Secretary Fortunato Abat yesterday said the military would not allow newsmen to go inside rebel camps to cover the rebels' illegal activities. PC Capcom [Capital Command] chief Brigadier General Alexander Aguirre had earlier said that some of the newsmen on the accreditation list of the CPP-NPA were sympathetic to its cause.

Names on CPP List Revealed

*BK2605045788 Manila PNA in English 0323 GMT
26 May 88*

[Text] Manila, May 26 (OANA/PNA)—The Department of National Defense is making public the list of more than 180 local and foreign media men whose names appeared in captured Communist Party documents.

Defense Undersecretary Fortunato Abat said that a public disclosure of the media list would not mean imposition of any sanction against journalists.

He, however, said that in declassifying the Communist Party of the Philippines (CPP) documents, the public will know how the outlawed movement uses the media in its propaganda campaign.

The Armed Forces of the Philippines (AFP) meanwhile said six foreign journalists, two of whom may have been involved in a communist guerrillas ambush in the Bicol region south of Manila last February, have been known.

The journalists include five female and one male New Zealanders.

Captured communist party documents revealing the identities of the six were made available to THE PHILIPPINE DAILY GLOBE newspaper by the military.

The disclosure followed an announcement by the military that it has filed charges of multiple murder against two female journalists who were implicated in the Feb 27 ambush of 12 Army Scout Rangers in the region.

The military said it would ask the help of the International Press Center (IPC) under the Office of the Press Secretary to identify two Caucasian-looking female journalists who were seen in pictures tagging along with NPA rebels.

Meanwhile, Immigration Commissioner Miriam Defensor Santiago ordered all foreign journalists to get working permits from the Commission on Immigration and Deportation before gathering news and interviewing people in the country.

Santiago issued the ruling to monitor movements of foreign journalists, some of whom have been reported to have paid rebels to stage ambushes to enable them to get exclusive coverages.

Santiago noted that while other foreign groups like basketball players and entertainers readily secure working papers when they arrive, journalists do not.

The six foreigners identified in captured Communist Party documents were Sandy Smith, 30, Clare Wooding, 23, Janet Cole, 23, Megan Sandy MacKay, Fiona Fitzpatrick, and Frazer Woods.

Biodata of the six were among the documents seized by military operatives in the Bicol region, THE PHILIPPINE DAILY GLOBE, quoting unnamed military sources, said. Four of the six visited the Philippines in 1984 and 1985.

In her biodata submitted to the guerrilla movement, Smith said she was active in the Anti-apartheid Organization in New Zealand and said she was one of the organizers of the 1986 visit of CPP founder Jose Ma. Sison to New Zealand. She also said she is a member of the Worker's Communist League.

Wooding claimed that she attended the 10th Asian Students Association conference in Manila in 1986.

Cole, for her part, said she attended the 1984 Philippine conference in Wellington. MacKay said she was part of a 7-woman delegation from New Zealand who attended a conference of a cause-oriented women's group in Manila in 1985.

For her part, Fitzpatrick's biodata said that she attended the Worker's Communist League study group in 1986 and became active in the Wellington Philippines solidarity group.

Woods said he was involved in the Filipino conference follow-up in Auckland after attending the New Zealand conference for Filipino concerns.

He said he is a member of the Palestine Group, Philippine Solidarity Group, Nicaragua Must Survive campaign, CORSO [expansion unknown], Kanak Solidarity Group, United Chile Group and Men Against Sexism.

Foreign Firms Reportedly Pay NPA Ransom
HK2605084188 Manila Radio Veritas in Tagalog
0700 GMT 26 May 88

[Text] Indications showed that two foreign firms in Laoag City paid ransom to communist guerrillas in exchange for the release of foreign hostages. However, Lieutenant Colonel Romeo Acop, Ilocos Norte PC provincial commander, said that the military was unaware of the ransom payment.

An administrative officer of the Japanese-owned Kumagai Gumi Company was released after being held by communist guerrillas for several months while two Korean engineers employed by the Hanil Development Corporation were also freed after 82 days in captivity.

Commercial Farms Exempted From Land Reform
HK2505140588 Manila THE PHILIPPINE STAR
in English 25 May 88 pp 1, 2

[By Jess Diaz with reports from Jun Francisco and Amy Pamintuan]

[Excerpt] The bicameral conference committee drafting the final version of the Comprehensive Agrarian Reform Program [CARP] decided yesterday to exempt orchards and other commercial farms from immediate physical distribution under CARP.

However, owners of these orchards and farms would still be required to share their profits with their workers.

Meanwhile, Budget Secretary Guillermo Carague said yesterday the government "will most probably" have to rely on foreign aid or loans to finance the 10-year implementation of CARP as most of the money earmarked for the program still has to be earned by the government.

"It's a matter of deciding to start it, then as we go along, we can raise the money," Carague told reporters in Malacanang.

Defense Secretary Fidel V. Ramos likewise batted for the immediate implementation of CARP to spur economic development that could stem the growth of insurgency.

In his first ever statement on CARP, made May 18 at the Carnegie Endowment for International Peace in Washington, D.C., the full text of which came in a belated dispatch, Ramos said poverty and socio-economic inequities constitute the "underground factory" that produces insurgents.

Briefing newsmen after yesterday's meeting, Sen. Heherson T. Alvarez and Rep. Ronaldo B. Zamora, co-chairmen of the bicameral committee, said although farms planted to vegetables, coffee, cacao, citrus, rubber,

and other commercial crops, and those devoted to poultry and swine raising, and aquaculture (fish, prawn production) are excluded from physical distribution, they would be required to share their profits with their workers.

The decision was reached even as the committee formed a drafting group which will begin writing the final text of the CARP law this morning.

The workers' share of the profits still has to be agreed upon. The Senate panel proposes five percent of gross revenue, while the House team wants it fixed at 2.5 percent.

The committee does not have figures on the size of the farms that are to be excluded from the requirement of immediate physical distribution, but these farms could run to hundreds of thousands of hectares of rich agricultural land.

Alvarez said the total area devoted to citrus, coffee and cacao production alone is about 150,000 hectares.

Zamora said the exemption does not cover huge corporate farms. He added the bicameral committee has not yet distinguished commercial farms from corporate farms, but that it will treat both categories separately.

Alvarez and Zamora explained they still have to agree on when commercial farms would be covered by the physical distribution requirement.

The Senate team proposed that the lands be distributed after the 10-year implementation period for CARP, while the House panel suggests, that no definite time frame be set.

"It could be done within 10 years in the case of certain farms, or after 10 years," Zamora said, adding commercial crops have different gestation periods, that is, the time it takes for the venture to be profitable.

But he said as long as the farms are in commercial operation, they will continue to be excluded from physical distribution.

The two committee chairmen also said in less than two weeks of conference, they have resolved more than half of the conflicting issues in the two versions of CARP.

A committee will begin drafting today the text of the provisions covered by their agreements before other issues, including compensation, priorities and coverage for corporate farms are resolved.

The committee is composed of Senators Alvarez, Neptali Gonzales and Rene Saguisag, and Representatives Zamora, Raul Roco and Pablo Garcia.

Speaking in Malacanang yesterday, Budget Secretary Carague assured "there is money for CARP," but "right now not all the money is available."

"You know all this money is going to be earned in the future," he added. "We just feel there is reasonable basis for expecting we will be able to earn it, especially if the initial years will show we are able to implement it successfully."

Several solons, among them Sen. Ernesto Maceda and Rep. Ronaldo Zamora have expressed fears the government might have funds to cover only the first three years of CARP's implementation.

Based on government statistics presented to the House last May 10, for the first three years the Assets Privatization Trust [APT] can raise P1.86 billion, while the Presidential Commission on Good Government [PCGG] can raise p2.56 billion. The APT and the PCGG are the major sources of funding for the CARP.

Zamora noted that the CARP needs P1.84 billion for the first year alone, or over P150 billion for 10 years to purchase 5.2 million hectares of public and private agricultural lands for distribution to between 2.8 million to 3.2 million farmers and farm workers.

"In subsequent years, funding should be easy to come in," Carague said.

He said the government is not ruling out foreign funding, but it prefers grants, soft loans or financing on concessional terms rather than direct aid.

The bicameral committee on CARP has summoned officials of the Central Bank, the Land Bank, the APT and PCGG, the National Economic and Development Authority and the Departments of Budget and Agrarian Reform to appear before the House tomorrow to discuss financing for the program. [passage omitted]

Consul General on Marcos' Hospitalization
HK2605083788 Manila Radio Veritas in Tagalog
0700 GMT 26 May 88

[Slantlines denote passages in English]

[Text] Press Secretary Teodoro Benigno reiterated that the government will not allow former President Marcos to return to the country in reaction to reports that the government may relent as a result of Marcos' present health condition. He was admitted to St Francis Medical Center in Honolulu, Hawaii, after complaining of chest pains.

However, Benigno did not believe that Marcos' condition was critical. [Benigno recording indistinct]

Meanwhile, we have a direct interview with Consul General Tomas Gomez in Honolulu.

[Begin recording] [Reporter] Mr Consul, we received reports that you have expressed doubts on the former president's admission into a hospital in Honolulu. Can you elaborate further?

[Gomez] Marcos entered the hospital last night, claiming of suffering from chest pains. /Now, that is a claim he has made. There is no way by which you can substantiate that medically./ They are making it appear that he has heart problems, but in fact, he has none. He is still in the hospital and a bulletin issued earlier claimed that the chest pains were not caused by heart trouble. /The doctors announced that he has not had any heart attack and that there is no heart ailment at all. However, they said that he will remain in the hospital for one more evening, and that more tests will be administered to him. But one thing is very clear: the former President Marcos has no heart ailment./

[Reporter] Do you think his entry into the hospital was politically motivated?

[Gomez] It is hard to say because Marcos never tells the truth about his real health condition. What we are wondering here is that while he used to keep his health condition a secret, /all of sudden, in this particular instance, he is announcing to the entire world that he is sick and that he is entering the hospital. We really do not know what to make of it. Marcos has a very long history of prevarications concerning his health, but it now appears that he has no heart ailment. That is one thing. We don't know what the doctors will show tomorrow. People are beginning to surmise that his movements right now are politically motivated. We don't know really./

[Reporter] Can we say that the Philippine Consulate General is monitoring this latest move of the former president?

[Gomez] We are not. /We are not equipped for a 24-hour surveillance. No doubt about it, we are interested in what is happening to him. We monitor it to the best of our abilities. So far so good. In this particular instance,/ the announcement of his illness came from their side. As a matter of fact, even before former President Marcos entered the hospital, the news was already announced to the media in Honolulu. /In other words, they gave advanced notice that he was going to be hospitalized which is uncharacteristically Marcos./ In the past, they tried to hide his illness; now, they announce it to the world. /There is something fishy about this situation right now./

[Reporter] Thank you very much, Mr Consul General. We will keep in touch. [end recording]

Mitra Comments on Aquino Candidacy in 1992
HK2605080988 Quezon City GMA 7 Radio-Television Arts Network in English 1430 GMT 25 May 88

[Television talk show, "Straight from the Shoulder" with host Luis Beltran and guest Speaker Ramon Mitra]

[Excerpt] [Beltran] You said, in a TV show, that your candidate for president in 1992—both the Lakas ng Bansa's [Nation's Strength] and you personally, I think—is President Corazon Aquino. And she just said today that no, she doesn't want to or intend to run for reelection.

[Mitra] Yes, everybody recognizes that and respects the judgment of the president today. But, you know, elections are 4 years from now and a lot will happen from now until 1992, and if she succeeds—and she will, if you look at what is happening in the country today—then, this country will not be able to afford to let her go.

[Beltran] I think you've known the president on a personal level for a lot of years—before she became president, you knew her husband very well. What sort of events or conditions will convince her to run for reelection?

[Mitra] Just one thing, Louie—that the country, in fact, needs her; that if she does not run for reelection, so many people will be at each other's throats and we might likely have a minority president, and that would not be good for the country. The experience that she has gained in 5 years would benefit the country immeasurably.

[Beltran] Can I be nasty and be a little political about it? Some people think that by your advocating the reelection of the president, the candidacy of the president for reelection, you are negating the other presidential candidates—like Secretary Ramos, Senator Salonga, who can no longer say that they are available for the presidency. In the meantime, you have a lock on it, since you are the speaker and one of the closest [words indistinct], conceivably her own candidate in 1992. Isn't this a political ploy?

[Mitra] No, Louie, it isn't because it is a reality that the people, the country will want her in 1992. And if she fails—and we all pray that she does not—we might not even have an election in 1992. So I think the best thing for us to do is to all get together behind her, make sure that she succeeds; and if she does, the country cannot turn to anybody else. That wealth of experience earned in 5 years will be invaluable. Nobody else can have that kind of credentials for the 1992 elections. [passage omitted]

Troops Deployed in Provinces for Special Polls
HK2605030488 Manila Far East Broadcasting Company in English 2300 GMT 25 May 88

[Text] The Commission on Elections [Comelec] yesterday [25 May] ordered the deployment of several battalions of the Armed Forces of the Philippines in 11 towns and 9 provinces where special elections will be held on Monday, May 30th, to determine the final winners in 119 provincial and municipal positions. In an en banc resolution, the Comelec directed its regional, provincial and municipal officials in areas where the special polls will be held to coordinate on security matters with regional and provincial commanders as well with detachment and station commanders.

Military Admits NPA Support in Negros
HK2605095188 Manila PHILIPPINE DAILY GLOBE in English 26 May 88 p 3

[By correspondent Jaime Espina]

[Text] Bacolod City—More than half a million people are actively supporting the communist insurgency on Negros island, a military report disclosed Tuesday.

The report, based on captured rebel documents and military intelligence findings, also showed that the New People's Army has a regular strength of 2,269 fighters armed with 874 high-powered fire-arms deployed throughout the island's four guerrilla fronts.

The report was released by the Negros Island command led by Col. Rene Carones.

Aiding the rebels are 55,000 mass activists allegedly involved in legal front organizations, more than 100,000 organized masses, and 400,000 unorganized sympathizers.

Negros, with more than three million people living in its two provinces, has long been considered one of the hottest rebel-infested areas in the country mainly due to the disparity between the almost 90 percent living below the poverty line and the wealthy land owners who control most of the sugar industry on which the island's economy depends.

To counter the ever-growing insurgency, the Armed Forces has so far deployed more than six battalions, mostly army troopers supported by thousands of paramilitary, and vigilante forces, mostly organized and funded privately by planters.

In spite of this, the military report admitted that of the 650 barangays in the two Negros provinces, 109 are heavily influenced by the rebels, 152 have been infiltrated, while another 150 are threatened.

Earlier reports also disclosed that the rebels have succeeded in putting up their own government, called barangay revolutionary committees, in villages within rebel-controlled territory and are supposedly in the process of declaring a provisional revolutionary government on the island.

Military Said Provoking Moro Internal Feuds
HK2605080388 Manila PHILIPPINE DAILY
INQUIRER in English 26 May 88 p 11

[By Ali Macabalang]

[Text] Cotabato City—Top leaders of the rival Moro National Liberation Front and Moro Islamic Liberation Front [MILF] have revealed the alleged "indirect manipulation" by the military of previous MNLF-MILF skirmishes that left at least 112 dead, scores wounded, 58 houses burned and some 14,500 families displaced.

Articles published recently in two local weeklies—MIN-DANAO INQUIRER and SAN PEDRO EXPRESS—quoted both MNLF-Utara Kutawato revolutionary committee chairman Muslimen Sema and MILF's military chief of staff Al Haj Murad as condemning the "orchestrated" armed clashes between their respective fieldmen.

In February last year, hundreds of troops from both MNLF and MILF battled in a month-long encounter at Barangays Kitango and Lower Salbu in Datu Piang town in Maguindanao, leaving more than 40 dead, scores wounded and some 500 families displaced.

The feud recurred on a bloodier scale when forces of the two rebel factions clashed anew for three weeks starting last March 24. The gunfights erupted first in Datu Piang, Maganoy, Ampatuan and Sultansabarongis towns in Maguindanao and later spilled over to Carmen, Magpet, Tulunan, Pikit, Matalam and Kabacan towns in North Cotabato. Seventy-two more people were killed, scores were wounded, 58 houses burned and about 14,000 families were rendered homeless.

The military blamed the skirmishes to political feuds among local leader-sympathizers of both factions and to MILF-MNLF disputes over territorial control over the productive towns in Maguindanao and neighboring areas.

But Murad told the local papers: "We are conscious of the indirect manipulation of the military in the recent clashes. We have no proofs yet but we are gathering facts to prove it (manipulation)."

In the same article, Sema corroborated Murad's view, saying that "there is some kind of an invisible hand, about the whole situation."

"Our (field) commanders are of the belief that the trouble is being manipulated by groups with vested interests and with possible military involvement," he added.

Murad, who is also MILF's vice chairman for military affairs, also told radio reporters here that the two Moro fighter fronts are being pushed into trouble through an "LIC (low intensity conflict) approach."

Last year's MILF-MNLF armed showdown had subsided through the mediation of local civilian leaders. But the recent one ceased only after forces of both groups withdrew from the battleground in the onset of the Muslim's fasting month Ramadan starting April 17.

At the height of the last clashes, local civilian leaders had asked for military troops to be deployed in the embattled towns to protect the innocent civilians if not to pacify the warring rebel guerrillas. But their requests were unheeded, prompting Pampook Assemblyman Benasing Macarambon Jr. to criticize the military of its "hands-off policy" and for "feasting over the deaths of the Muslims."

Macarambon observed that the military "is prompt in sending troops when Christian villages are involved," even as he cited an instance in Tulunan, a Christian-dominated town, where soldiers, police and militiamen repulsed MILF troops.

Even Col. Quintin Alcodia, commander of the Army's 1/6 Brigade centrally based between Maguindanao and North Cotabato, admitted to newsmen the military's non-interference.

Asked of the military's avowed duty to safeguard the lives and properties of the civilians, like innocent villagers caught in crossfire in Maguindanao, Alcodia replied: "Ask Murad and Sema or the Constabulary (troops)" whom he referred to as duty-bound to do the task.

MNLF Converts Foreign Offices to Embassies
HK2605073588 Manila THE MANILA CHRONICLE
in English 26 May 88 p 6

[By Tess Villanueva]

[Text] The Moro National Liberation Front [MNLF] is converting its offices abroad into embassies as part of the belligerent posture it has taken following the Organization of Islamic Conference's [OIC] recognition of the "Bangsamoro" [Moro homeland] or Moro nation, Ustadz Zain Jali, MNLF spokesman and spiritual adviser, told the 'CHRONICLE' yesterday.

Jali, who arrived in Manila from Zamboanga City, said that, in fact, the MNLF office in Iranlis is now already a full-fledged embassy with an ambassador, Hashim Adamin. It also flies the MNLF flag in its compound, he added.

Other MNLF offices in the 47-nation OIC will also soon be converted into embassies which will wage a "silent campaign" for the elevation of the MNLF status in the OIC into regular member, Jali added. The MNLF currently enjoys the status of permanent observer at the Islamic body.

Jali, at the same time, stressed that contrary to claims of the Philippine Government, the MNLF made three significant gains at the last OIC ministerial meeting in Amman, Jordan. Showing the 'CHRONICLE' a copy of the OIC resolution, Jali pointed out that:

—The OIC expressed "deep regrets" over the failure of the Philippine Government "to honor its commitment to implement the Tripoli Agreement of 1976."

—The OIC recognized the Moro nation when it referred to the Muslims in the South as "Bangsamoro" or Moro nation in the second item of the resolution.

—The OIC affirmed that the Regional Consultative Council (RCC) formed by the Government to help Congress draft the organic act on Mindanao independence was "in no way in conformity with the provisions of the Tripoli Agreement."

The resolution also said it "condemns all forms of repression inflicted upon the Bangsamoro people and the denial of their fundamental rights."

During the interview, Jali also said that once the MNLF status is elevated to full member at next year's OIC summit to be held in Saudi Arabia, the MNLF will offer all residents of Mindanao "more than friendship, brotherhood and we can give them dual citizenship."

Thailand

Chinese Dailies Comment on Prem's USSR Trip

BK2505170288 [Editorial Report] Two Bangkok Chinese-language dailies—ZHONG HUA RIBAO and XING XIAN RIBAO—on 21 May carry editorials on Prime Minister General Prem Tinsulanon's visit to the Soviet Union and talks with Soviet leaders on the Cambodian problem.

ZHONG HUA RIBAO's 1,000-word editorial, on page 5, entitled: "The Soviet Union Sends a Positive Signal on Solving the Cambodian Problem—Prime Minister Prem's Visit to the Soviet Union Achieves Complete and Great Success," says that according to news reports Prime Minister Prem's visit to the Soviet Union was very successful. The visit has helped improve Thai-Soviet relations, and it included an agreement that the first session of the Thai-Soviet joint commission on trade will be held this year, the signing of an agreement on scientific cooperation, and a protocol on political consultation. More importantly, Prime Minister Prem and Foreign Minister Air Chief Marshal [ACM] Sitthi

Sawetsila held separate meetings with CPSU Central Committee General Secretary Mikhail Gorbachev, chairman of the USSR Council of Ministers Ryzhkov, and Soviet Foreign Minister Shevardnadze. The results of these talks helped bring the Soviet leaders to the adoption of a positive attitude on seeking a political solution to the Cambodian problem.

The editorial says: "During Gorbachev's meeting with Prem in the Kremlin on Wednesday [18 May], both sides agreed that the Cambodian problem should be settled through negotiations and political means. Gorbachev also pointed out that all parties involved in the Cambodian conflict should join the negotiations. He said that 'regional conflicts, no matter how complicated or protracted, should be solved along political lines. Military solutions are out of place.'"

The editorial adds that in the past, Moscow has stressed that the Vietnamese invasion of Cambodia is Hanoi's internal affair and the Soviet Union has no right to interfere. But now the Soviet Union says it will ask Vietnam to participate in talks with Cambodian resistance forces and realizes that a troop withdrawal by 1990 would be too late. Moscow also said that "the Soviet Union will consult with Vietnam sincerely and will make great efforts to solve the Cambodian problem." This is the first positive signal from the Soviet Union on settlement of the Cambodian issue.

The editorial concludes by saying that "this important signal shows there is hope for an early settlement of the Cambodian problem and also shows that Prime Minister General Prem's visit to the Soviet Union has achieved complete and great success."

XING XIAN RIBAO's 900-word editorial, on page 1, entitled: "Thai and Soviet Leaders' Consultations on a Peaceful Solution to the Cambodian Problem," says Soviet leader Gorbachev, during his meeting with Prime Minister Prem on 18 May, expressed his views on the Cambodian issue, saying that: "The conflict should be settled on the basis of recognition of the realities, with the participation of all forces involved in that conflict in one way or another. The conflict, no matter how complicated and protracted, should be resolved through political settlement. Military solutions are out-of-date." The editorial also notes that "the main topic of the meeting between Prime Minister Prem and Gorbachev at the Kremlin was the Cambodian problem. Assessing Gorbachev's remarks, it appears that Prime Minister Prem's firm stand on a peaceful settlement of the Cambodian issue has exerted a substantial influence on the Kremlin authorities, showing that Thailand's stand is respected." From the diplomatic viewpoint, it proved that Prime Minister Prem's Soviet trip has achieved the expected success. It not only inspires the Thai authorities, but also all ASEAN members and other countries' leaders.

The editorial adds that Foreign Minister ACM Sitthi, who accompanied Prem on his visit to the Soviet Union, returned home first after the 3-day official visit to Moscow. On his return, he told reporters that Thailand and the Soviet Union had held detailed discussions on the Cambodian issue. Both sides agreed that the problem should only be settled through political means.

The editorial says that "the Thai foreign minister suggested to the Soviet authorities that a meeting be held among the four Khmer factions, Vietnam, and other concerned countries in Jakarta, Indonesia, to discuss a peaceful solution to the Cambodian problem. It is reported that the Soviet Union supports such a proposal."

In conclusion, the editorial says that according to the talks between the Thai and Soviet leaders and the foreign ministers of both countries, the hope for a peaceful settlement of the Cambodian conflict is increasing. The Thai foreign minister pointed out that "the Soviet Union understands that the Cambodian issue is a main obstacle to good Chinese-Soviet and Chinese-Vietnamese relations or even good relations between the Soviet Union and ASEAN. If this problem is settled, relations between all sides will be improved." This is a main target for a peaceful settlement of the Cambodian issue. All sides concerned should make great efforts to strive for success.

Talks With Soviets on Cambodian Issue Viewed
BK2505091788 Bangkok SIAM RAT in Thai
21 May 88 p 12

[By Chaiwat Yonpiam]

[Excerpts] There appears to be new progress toward a settlement of the Cambodian problem after Soviet Foreign Minister Eduard Shevardnadze said that Moscow would discuss with its ally Vietnam a way to end the Vietnamese occupation of Cambodia.

Shevardnadze said this to Thai Foreign Minister Air Chief Marshal Sitthi Sawetsila who returned to Bangkok on Thursday (19 May) to prepare for the upcoming general election, since he is the leader of the Social Action Party, leaving Prime Minister General Prem Tinsulanon to continue his foreign trip as scheduled and to kill time before returning as the next prime minister, as is widely speculated.

It appears that the Thai delegation's visit to Moscow will bring some considerable success, which will lead the people to believe that every foreign trip by Thai leaders will always result in great benefits akin to this visit to the Soviet Union. However, the Soviet side's statements on its intention to persuade Vietnam to withdraw its troops from Cambodia is possible only because Moscow has several reasons to facilitate such an outcome for its own interests. It has only been waiting for a catalyst to begin

such an action—and the catalyst turned out to be the visit to Moscow by Prime Minister General Prem Tinsulanon and his delegation. [passage omitted]

Foreign Minister Sitthi Sawetsila said on his return on Thursday that the Soviet Union told the Thai delegation that it is ready to exert pressure to draw up a timetable for the withdrawal of Vietnamese troops from Cambodia. Shevardnadze said that it would be too late to wait until Vietnam gradually pulls out its troops from Cambodia in 1990.

The meetings between the Thai and Soviet leaders in Moscow also indicate the possibility of reviving the cocktail party to be held in Indonesia, as this would not require the participation of Vietnam. It would be a meeting between all the Khmer groupings involved in the conflict, including the Heng Samrin side in Phnom Penh, the group of Prince Sihanouk, Son Sann's Khmer Serei, and the Khmer Rouge.

The Soviet Union possibly has its own specific reason for refusing to do what the others want, that is, to control the flow of money it sends to Vietnam, which the latter uses to support its troops in Cambodia. The Soviet Union's normal assistance for Vietnam totals about 60 billion baht annually. Besides using this money to maintain its troops in Cambodia, Vietnam also uses the money to prop up its almost bankrupt economy.

The Soviet Union's effort to persuade Vietnam to withdraw its troops from Cambodia is an important key for the Soviet Union to achieve many political gains in Southeast Asia and also in China. It also means that the Soviet Union can remove an obstacle which was set as a condition by China for the Soviet Union to normalize Chinese-Soviet relations. China is demanding Soviet actions rather than just words.

All in all, if the Soviet Union did not have hopes of achieving something, Shevardnadze would not have made his remarks to Air Chief Marshal Sitthi, who made known Moscow's thoughts to the press at Don Muang Airport on Thursday.

Commentary on U.S. 'Greed' in Lintel Issue
BK2605085388 Bangkok SIAM RAT in Thai
23 May 88 p 13

[Commentary by Nakhon Samphaothip of the Amateur Archaeologists Club: "Narai Banthomsin—U.S. Character"]

[Excerpt] [Passage omitted] In our renewed attempt to effect a return of the Narai Banthomsin stone lintel from the Chicago Art Institute in early 1988, the Fine Arts Department compiled a list of eight artifacts and, subsequently, two other lists of three and five pieces and sent them to the United States. The department finally received a reply saying that the United States was

interested in the Fa Daet Sung Yang boundary stone, which depicts the part of Buddhist history when Lord Buddha returned from Kabilphat City to visit his father.

Relatively speaking, the boundary stone has greater financial and artistic value than the Narai Banthomsin. This shows the character of the American people. They took our hand and now want to exchange the hand for our arm.

Such is the American people's selfish nature and their greed for the property of others. This is reflected in the exchange of correspondence, in which the American side frequently used the words "gift" and "exchange."

The U.S. Government may claim that the issue involves the U.S. private sector, but it can hardly ignore its responsibility, since the national honor of the United States is being tarnished by its citizens' illegal possession of other countries' national treasures.

The Narai Banthomsin issue will once again raise the gentleman's mask that the United States has been wearing and let the world know that it is in fact the evil empire [preceding three words in English].

PRC Said Interested in War Reserve Stockpile
BK2605075488 Bangkok NAO NA in Thai
25 May 88 p 1, 2

[Excerpt] Defense Minister Air Chief Marshal Phaniang Kantarat said that during his 20-23 May visit to Singapore to strengthen ties with the Singapore Defense Ministry, he was informed by the Singapore foreign minister that China is interested in establishing a war reserve stockpile in Thailand. He said this before a cabinet meeting on 24 May. Phaniang noted, however, that China has not officially discussed the matter with Thailand.

Phaniang said, "If the Chinese interest is true, it is a good idea, because it involves no investment on Thailand's part." [passage omitted]

Vietnam

50,000 Troops To Leave PRK by End of 1988

Foreign Ministry Statement
BK2605121088 Hanoi Domestic Service in Vietnamese
1100 GMT 26 May 88

[Foreign Ministry 26 May statement issued in Hanoi]

[Text] 1. In accordance with an agreement between the SRV and the PRK, since 1982 Vietnam has annually withdrawn part of its Army and has, in six phases, sent home half of the total of Vietnamese Army volunteers. This year, the two governments have agreed to withdraw an additional 50,000, that is, half of the remaining Vietnamese Army volunteers.

The two sides have also decided to withdraw home the command of the Vietnamese volunteer army in Cambodia and place the remaining Vietnamese Army volunteers in Cambodia under the guidance of the PRK.

The SRV and the PRK welcome representatives from governments of various countries, international organizations, and people concerned about the Cambodian issue to witness this year's troop withdrawal.

2. Over the past 6 years, although half of the Vietnamese volunteer army has gone home, the situation in Cambodia has increasingly stabilized in all aspects; and the Cambodian people's Armed Forces have matured step by step and shouldered an ever bigger burden of the responsibility for national defense. In the last 6 months of 1988, Vietnam's withdrawal of the biggest number of troops so far will once again testify to the steady growth of the PRK. This will also prove Vietnam's policy of respect for the independence and sovereignty of Cambodia and its determination to withdraw all army volunteers by 1990.

At the same time, the SRV wishes to solve the Cambodian issue by political means and will withdraw all its Army volunteers at the agreed-upon time in a political solution to the Cambodian issue.

3. Public opinion in Southeast Asia and the world over has warmly welcomed the PRK's policy of peace, independence, and national reconciliation and the talks between Chairman Hun Sen and Prince Sihanouk. At present, the main obstacle to a political solution to the Cambodian issue is the criminal, genocidal Pol Pot clique. The legitimate demand of the Cambodian people and the people of various countries is that aid and the provision of sanctuaries to the Pol Pot clique be stopped and all schemes to impose the genocidal Pol Pot regime on Cambodia be prevented.

4. The Vietnamese Government fully supports the Cambodian Government's proposal for establishing a zone of peace along the Cambodian-Thai border and for resolving the problem of repatriation of Cambodian refugees. In this spirit, the SRV and the PRK have agreed that Vietnamese Army volunteers will pull back 30 km from the Cambodian territory along the Cambodian-Thai border.

5. Proceeding from its goodwill for an early political solution to the Cambodia issue and from its efforts to achieve lasting peace and stability in Southeast Asia, the SRV welcomes all efforts aimed at promoting the process of talks to resolve the Cambodian issue through political means and to establish a zone of peace, freedom, and neutrality in Southeast Asia as proposed by the ASEAN countries.

Defense Ministry Issues Communique

*BK2605114088 Hanoi Domestic Service in Vietnamese
1100 GMT 26 May 88*

[Text] The Vietnamese Ministries of Foreign Affairs and National Defense held a news conference in Hanoi this afternoon to make public an agreement between Vietnam and Cambodia on the withdrawal of the 50,000 Army volunteers from Cambodia in 1988. In connection with this event, on 26 May the SRV Ministry of National Defense issued the following communique:

Implementing the statement of the summit conference of Cambodia, Vietnam, and Laos held in February 1983 and the decision of the PRK and the SRV in August 1985 on annual troop withdrawals and on the total withdrawal of Vietnamese Army volunteers from Cambodia by 1990; on the basis of the growth in all aspects—especially in the security and national defense capabilities—of the PRK after six withdrawals of Vietnamese Army volunteers from Cambodia since 1982; and with Vietnam's consistent stand of thoroughly respecting the independence, sovereignty, territorial integrity, and the right to self-determination of the Cambodian people, the SRV and PRK governments have agreed:

1. To withdraw 50,000 Vietnamese Army volunteers home in 1988. The withdrawal of this large component of the Vietnamese Army volunteers will be carried out from June to December 1988 in several directions and on land routes and waterways.

2. Along with this withdrawal of the Vietnamese Army volunteers, the command of the Vietnamese Volunteer Army in Cambodia will be withdrawn home in 1988.

3. The remaining Vietnamese Army volunteers in Cambodia will be placed under the guidance of the PRK and will be withdrawn home completely in 1990.

Big Pullout Expected 'Late June'

*OW2605033188 Tokyo KYODO in English 0314 GMT
26 May 88*

[Excerpts] Hanoi, May 26 KYODO—Vietnam plans to withdraw tens of thousands of troops from Kampuchea in late June, government sources said Wednesday [25 May].

Details of the plan will be announced by Vice Foreign Minister Tran Quang Co in a press conference on Thursday, according to the sources. [passage omitted]

Last November, Vietnam withdrew 20,000 troops, the largest number ever. The Vietnamese Government said at the time that its troops in Kampuchea had been reduced by half compared with the peak time.

Vice Foreign Minister Tran Quang Co also said earlier that this year's pullout would be double the previous one, hinting at a scale of about 40,000.

Some Western observers predict that the forthcoming pullout may involve about 50,000 troops.

Watchers believe that Vietnam may time the coming pullout to occur just before the U.S.-Soviet summit in Moscow next week and a foreign ministers' meeting of the Association of Southeast Asian Nations (ASEAN) in July, in the hope of emphasizing the honest implementation of the troop phase-out plan and stemming international criticism against its long military presence in Kampuchea.

The Kampuchean capital of Phnom Penh fell to the Vietnamese-backed Heng Samrin government's forces and Vietnamese troops in early January 1979, and fighting has since continued mainly in the Kampuchea-Thai border area between the three-party resistance coalition forces and the Vietnamese-Heng Samrin government forces.

Further on Planned Troop Withdrawal

*BK2605071088 Hong Kong AFP in English 0634 GMT
26 May 88*

[By Gilles Campion]

[Excerpts] Hanoi, May 26 (AFP)—Vietnam has said it will withdraw half its troops from Cambodia by the end of the year, saying this amounts to about 50,000 troops.

The withdrawal, which would be the seventh partial pullout since 1982, would take place between June and December, foreign diplomats here were told Wednesday [25 May].

Vietnamese officials also told the diplomats that the remaining Vietnamese troops would be pulled back to some 30 kilometers (20 miles) from the Thai-Cambodian border and placed under the command of the Cambodian commander in chief. [passage omitted]

The announcement to the diplomats came a few days ahead of a summit between U.S. President Ronald Reagan and Soviet leader Mikhail Gorbachev.

Thai officials said after a visit to the Soviet Union by Premier Prem Tinsulanon this month that Moscow had pledged to put pressure on Hanoi to resolve the Cambodian problem.

Mr. Gorbachev could present the announcement that half the troops would be out by the end of this year as proof of his good faith on the issue, analysts here said.

The announcement also came 10 days after Soviet troops began a pullout from Afghanistan which Moscow says will be spread over nine months.

Vietnam has said in the past that it would withdraw all its troops by 1990. Foreign Minister Nguyen Co Thach said in an interview with AGENCE FRANCE-PRESSE

last week that Hanoi had about 90,000 troops in Cambodia and reaffirmed that they would all be withdrawn by the end of 1990 [even] if no political solution to the problem was found by then.

Western experts put the number of Vietnamese troops in Cambodia at around 120,000.

Previous troop withdrawals announced by Hanoi have been dismissed by Western experts as simple troop rotation, but Washington said recently that Vietnam had reduced the number of its troops in Cambodia by some 20,000 at the end of last year.

Vietnamese officials told diplomats Wednesday that all interested countries and international organisations would be invited to see this year's pullout.

Both Mr. Nguyen and Cambodian Premier Hun Sen told AFP in interviews last week that the Khmer Rouge, the military backbone of the Cambodian resistance, were still fighting, but that the resistance no longer posed a threat to the Phnom Penh government.

"By withdrawing half its troops and handing over responsibility for military operations to the Cambodian commander in chief, Vietnam is strengthening the credibility of the regime it installed in Phnom Penh nine years ago," one diplomat said.

"It is also trying to get things moving again on the diplomatic front" after talks between Prince Sihanouk and Mr. Hun Sen broke down after meetings in Paris in December and January.

Wednesday's disclosure came as a conference of foreign ministers of non-aligned states opened in Cuba, with Mr. Nguyen attending.

Cambodian resistance leader Prince Norodom Sihanouk has recently called on the Non-Aligned Movement to help find a solution to the Cambodian problem.

Indonesia said this week that Vietnam had agreed to take part in informal talks—labelled a "cocktail party"—with Prince Sihanouk and the other parties to the Cambodian issue in Jakarta.

Vietnam has refused to confirm or deny the reports. [passage omitted]

Indonesian Foreign Minister Ali Alatas said invitations to the "cocktail party" talks had been sent to Phnom Penh Premier Hun Sen, and all three factions of the tripartite Cambodian resistance: Prince Sihanouk's group, the Khmer Rouge, and nationalists led by Son Sann.

But only Vietnam and Prince Sihanouk had responded, the Indonesian minister said.

Nguyen Van Linh Meets With Retirees in Hanoi

Says 5th Plenum Coming 'Soon'

BK2505155888 Hanoi Domestic Service in Vietnamese
1430 GMT 25 May 88

[Text] A cordial and moving get-together between Comrade Nguyen Van Linh and nearly 200 retired cadres in Hanoi took place for 2 days in May. Amid an atmosphere of sincerity and openness and with a sense of constructiveness, many retirees spoke their minds about the current situation in the country and made suggestions to the party Central Committee and the state on measures to resolve difficulties faced by various economic domains and the people, including the difficulties faced by the retirees in their daily lives.

On behalf of the Political Bureau and the party Central Committee, Comrade General Secretary Nguyen Van Linh welcomed the suggestions of the comrade cadres living in retirement. He pointed out that these suggestions reflected the revolutionary zeal and high sense of responsibility of the retired cadres and party members toward the cause of renovation of the Vietnamese party and revolution. He expressed the understanding and deep concern of the party and state leadership for the difficulties faced by the retirees in their daily lives.

He made these laudatory remarks: In the very difficult situation regarding your daily lives, you still manage to preserve your pure quality and your will to endure sacrifices and hardships. Many of you have even continued to participate in official work in various establishments and have contributed opinions to the elaboration of the party and state lines and policies. I have the greatest admiration for you and warmly acclaim you.

After reiterating the demands for renovation in the various activities of the party and state, especially renovation in economic management, Comrade Nguyen Van Linh said: At present, on the production front, good models of renovation have appeared in many places. These should be promptly detected and summed up and experience should be drawn from them. Such experience should be widely disseminated throughout the country.

He said the fifth plenum of the party Central Committee, which will be held soon, will discuss organization and cadre work, a question of decisive significance to successfully carry out renovation and advance the revolutionary cause in our country.

Comments on Renovation Process

BK2605085088 Hanoi VNA in English 0720 GMT
26 May 88

[Text] Hanoi VNA May 26—Party General Secretary Nguyen Van Linh has said that the upcoming Fifth Plenum of the Communist Party of Vietnam Central

Committee will deal with the organizational and personnel work which is of decisive significance for the successful implementation of the current renovation drive.

He was speaking at a recent meeting with about 200 retired public servants in Hanoi. With him were Nguyen Duc Tam, Politburo member of the party Central Committee and head of its Commission for Organization, and Nguyen Thanh Binh, Politburo member of the party Central Committee and secretary of the Hanoi party committee.

Nguyen Van Linh spoke about a number of questions of common concern for the retirees and the entire party and people at present. "It's my belief that our party and people will ride out of the daunting difficulties," he stressed. But he cautioned against impatience, saying, "All solutions need time, so does our renovation process."

Referring to the personnel work, he said that along with rejuvenation and training of cadres, it is necessary to reassign the leading cadres in a planned scientific manner. These are the central tasks of all party and government organs at present, the party leader added.

Radio Reports Further on Food Problems

BK2605035888 [Editorial Report] Hanoi Domestic Service in Vietnamese on 25 May continues to report on the current food shortage in the North.

In its 1100 GMT cast, the radio carries an under-a-minute report saying that "localities in Cao Bang Province have worked out measures to help one another overcome difficulties in the preharvest period. They are mustering those families able to retain food self-sufficiency until the coming rice harvest to provide aid to those suffering from food shortages, in the spirit of fraternal and neighborly love; and also reporting to the province, asking it for further assistance, and using available sources of grain. The province initially sent 200 metric tons of grain to various districts and towns for sale to those families truly suffering from food shortages."

In its 1430 GMT newscast, the radio reports in a 1-minute item that "right from the beginning of March, Lang Son District in Ha Son Binh Province advocated offering interest-free grain sales and loans to people. In March and April alone, the district sold 10 metric tons of dry manioc to cadres and people and gave 30 metric tons of dry manioc on loan to families suffering from food shortages. This May, Lang Son District, assisted by the province, has loaned 65 metric tons of rice to the people—including 12 metric tons of grain—which have been distributed to the families of disabled soldiers and fallen heroes as well as to those people suffering from food shortages." Meanwhile, in Chuong My District, "the district grain corporation has offered high prices to buy grain from all sources and has succeeded in buying

178 metric tons, including 145 metric tons of rice, 30 metric tons of wheat flour, and [words indistinct] to resell or donate them to those families now experiencing difficulties. The district urgently sent 6.5 metric tons of grain and 500,000 dong to distribute to various villages, especially to those targeted families now experiencing difficulties because they are running out of grain."

Accounting, Statistics Regulation Promulgated *BK2405102588 Hanoi Domestic Service in Vietnamese 1100 GMT 23 May 88*

[Text] On 20 May 1988, Vo Chi Cong, chairman of the SRV Council of State, signed a decree promulgating a regulation on accounting and statistics. Following is the full text of the decree:

Regulation of Accounting and Statistics

To contribute to enhancing economic and financial management of various echelons and sectors, enforce state inspection and control over production and business activities of various economic components, and exploit various latent potentials of the country;

To meet requirements for renovating the economic management mechanism and for guaranteeing the dissemination of information in a sufficient, timely, accurate, and uniform manner at each echelon and each sector and on a national scale;

Pursuant to Article 100 of the SRV Constitution, this decree defines the system of accounting and statistics to be applied in the national economy.

Chapter I

General Stipulations

Article 1:

1. All state enterprises, joint state-private enterprises, collectively and privately owned units engaging in production and business, and all those agencies and organizations using the budget of the state or of a mass organization, which are generally referred to as units, must comply with the system of accounting and statistics as provided for in this regulation.

2. Those enterprises with foreign-invested capital applying the system of accounting and statistics in accordance with popular international principles and standards must seek approval from the Ministry of Finance and the General Statistics Department of the SRV and must be placed under the control of the Vietnamese financial and statistics organs.

Article 2: Accounting and statistical work must be carried out uniformly within the scope of the national economy concerning:

1. The system of original documents.
2. The system of funds and records keeping.
3. The system of model reports.
4. The system and method of calculating various economic and financial norms.
5. The branch of national economy, the type of economies, nomenclature, classification, and coding tables, and indexes of state budget.
6. Measuring units.
7. Annual accounting and statistics reports.

The system of documents and formats for accounting and statistics reports must be simplified and practical without creating any duplication.

Article 3: At each state enterprise or each joint state-private enterprise, there must be a senior accountant. The senior accountant shall assist his enterprise director in directing and guiding the uniform implementation of accounting and statistical work. He is also charged with inspecting and controlling economic and financial activities at his enterprise. The Council of Ministers will promulgate a regulation on senior accountants to be uniformly applied by state enterprises and joint state-private enterprises.

Article 4:

1. Those engaging in accounting and statistical work have the right to be professionally independent in accordance with guidance of their higher echelon's accounting and statistics organs.

2. Accountants in those state enterprises, joint state-private enterprises, cooperatives, or units using the budget of the state or of a mass organization must not simultaneously work as storekeepers, treasures, or supply clerks.

Article 5: The state's system of statistical information is comprised of:

1. The centralized system of statistical information, organized by the General Statistics Department, consists of essential information on the socioeconomic situation needed to meet the state's management requirements. This system gathers and incorporates information from the various ministries, state commissions, and other organs belonging to the Council of Ministers, local organs, and grass-roots units in accordance with the principle of centralism and uniformity.

2. The system of statistical information of various ministries, state commissions, and other organs belonging to the Council of Ministers, and the people's committees at various levels consists of information to be provided to the centralized system of statistical information and other kinds of information needed to meet the requirements of the sector and the localities concerned.

Article 6:

1. Accounting and statistical figures and documents are figures and documents of legal value with which to assess production and business results and implement the plans and obligations of a unit.

2. Classified accounting and statistical figures and state documents must be managed and used in accordance with the system of preserving secrecy.

3. Authority and procedures for the declaration of accounting and statistical figures and documents shall be established by the Council of Ministers.

Article 7: The following acts are strictly prohibited:

1. Falsification of documents and compilation of records or preparation of accounting and statistical reports contrary to the facts.

2. Destruction of documents, records, and accounting and statistical reports before the prescribed date of preservation has expired.

3. False declaration of figures and preparation of reports contrary to the facts or forcing other persons to falsely declare figures and prepare reports against the facts.

4. Failure to record all assets, materials, capital, and expenses.

5. Revealing classified accounting and statistics figures.

6. Unlawful use of documents and samples.

Chapter 2

Specific Regulations Concerning the Accounting and Statistical System

Article 8: Original Notes

1. Original documents concerning all economic and financial activities originating from any component in the unit must be in accordance with the samples provided by the Ministry of Finance and the General Statistics Department.

2. Original documents must be established only once and must fully, promptly, and accurately record all economic and financial activities that have taken place in accordance with facts and bear the signatures of all the responsible persons and the stamps of the unit concerned, in accordance with the nature of each type of document.

Article 9: Methods of Taking Notes of Accounting and Statistical Activities

The task of taking notes of statistical activities must be carried out in accordance with all specialized and professional methods provided by the Ministry of Finance and the General Statistics Department.

Article 10: Financial Items and Account Books

Each unit should have only one system of official account books. Account books must be opened in accordance with the fiscal system for accounting provided by the Ministry of Finance, or the fiscal system for accounting provided by various ministries and general departments in conformity with the characteristic activities of the sector after reaching agreement in writing with the Ministry of Finance.

Accounting documents are considered the basis for updating the account book. Recordings in the account books must be clear and continuous, without erasures. Account books must be opened or closed in accordance with the regulations of the Ministry of Finance.

Article 11: Inventory of Assets

At the end of the accounting year, all units must conduct an inventory of their assets and reflect the results of the inventory in their account books before preparing a report on the annual balance. Apart from this, all units must conduct an inventory of their assets under other circumstances in accordance with the decision of the Council of Ministers and the system of inventory of assets.

Article 12: Accounting and Statistical Reports

1. All units must fully prepare and submit on schedule all accounting and statistical reports in accordance with the regulations of the competent organs.

2. Accounting and statistical reports must be accurate, and all norms must be calculated in accordance with the contents and methods provided by the Ministry of Finance and the General Statistics Department.

3. Accounting and statistical reports of all units must be prepared on the basis of the figures provided by various accounting and statistic sections, documents, and accounting and statistical reports of management organs at the higher levels, and must be recapitulated in accordance with the figures reported by subordinate units.

4. Those who prepare, sign, or ratify accounting and statistical reports must take responsibility for the accuracy of figures within the area of their responsibility.

Article 13: Statistical Survey

1. The Council of Ministers will decide on and direct the conduct of large-scale general statistical surveys on various sectors and fields of activity.

2. The General Statistics Department will decide on and direct the conduct of periodic and irregular statistical surveys to gather socioeconomic information in the areas of responsibility as already defined by the Council of Ministers.

3. Ministries, state commissions, other organs belonging to the Council of Ministers and the people, and the people's committees at all levels are authorized to conduct statistical surveys within their area of management in order to gather necessary information in accordance with requirements for management of their sector and of the localities concerned after obtaining a written approval from the General Statistics Department. Results obtained from such surveys must be forwarded to the department.

4. Every unit and citizen is dutybound to provide related figures promptly and accurately in accordance with the goals and schedules of these statistical surveys.

5. In statistical surveys, the chief of a survey committee and the individual directly responsible for statistical work at each echelon and in each sector must be held responsible for the errors of the survey figures within their areas of responsibility.

Article 14: Inspection of Accounting and Statistical Activities

1. Financial and statistics organs and responsible organs must inspect the enforcement of the system of accounting and statistics by various units in a regular and systematic manner in accordance with their functions and authority.

2. The inspection of accounting activities must be carried out at every unit at least once a year and must necessarily be implemented prior to any consideration for ratification of an account balance.

3. Unit leaders and senior accountants or the individuals in charge of accounting must comply with the orders for periodic and irregular inspections from financial and statistics organs or from their parent units. They are also charged with conducting inspections of accounting and statistical activities within their units.

Chapter 3

Responsibility and Authority of Various Echelons, Sectors, and Units in Directing the Enforcement of the System of Accounting and Statistics

Article 15: The Ministry of Finance and the General Statistics Department will help the Council of Ministers exercise its unified management over accounting and statistical activities in the national economy in accordance with stipulations laid down in this regulation.

Article 16: Ministries, state commissions, other organs belonging to the Council of Ministers, and the people's committees at various levels are responsible for exercising management over accounting and statistical activities within their own sectors and localities, trying to

ensure the various material and technical conditions and professional cadres needed for accounting and statistical activities of their own sectors and localities.

Article 17: The unit leader and senior accountant or the individual in charge of accounting of a unit is charged with organizing the implementation of accounting and statistical activities. They are also responsible for the authenticity of the accounting and statistical figures of their unit.

Chapter 4

Punishment for Violations

Article 18: Violators of the system of accounting and statistics will either be subjected to disciplinary actions or liable to administrative penalties in accordance with stipulations of the Council of Ministers or will be charged with criminal responsibility in accordance with stipulations in the criminal code.

Chapter 5

Last Provision

Article 19: This regulation will go into effect beginning 1 October 1988. Those previous regulations at variance with this regulation are hereby rescinded.

Article 20: The Council of Ministers will work out detailed measures for the enforcement of this regulation.

[Dated] Hanoi, 10 May 1988

[Signed] For the SRV Council of State, Chairman Vo Chi Cong

Cabinet's Flood Control Directive Issued

BK2605092388 Hanoi Domestic Service in Vietnamese
2300 GMT 23 May 88

[Text] On 19 May, the chairman of the Council of Ministers issued a directive on flood and typhoon control. The directive said:

According to a forecast by the Meteorological and Hydrological General Department, there will be more heavy rains, typhoons, and floods this year than in previous years. To date, however, preparations for flood and typhoon control have been carried out slowly in many aspects.

To actively cope with the flood and typhoon situation, the Council of Ministers chairman asked people's committee chairmen in provinces, cities, and special zones subordinate to the central government and heads of various sectors to satisfactorily guide and urgently carry out the following tasks:

1. Seriously examine experience drawn from flood and typhoon control work in recent years to satisfactorily design projects to control flash floods in rivers, formulate measures for coastal districts and fishermen to cope with typhoons, and set forth practical methods to prevent waterlogging in low-lying areas in compliance with the conditions in each region. Localities and sectors, on the basis of these projects, must combine their capabilities to prepare for and carry out all of these tasks.

2. Pay special attention to satisfactorily protecting dikes, riverbanks, reservoirs, and flash flood drainage areas. Integrate supplies and materials to quickly complete technical work for strengthening dikes, embankments, and sluices, especially in key areas and rivers; launch a movement to discover and eliminate termite mounds; strictly implement regulations on protecting dikes and embankments; organize and guide dike supporting tasks; pay special attention to training patrol, guard, and assault forces in villages adjacent to dikes; prepare adequate facilities to provide (lights) for guard work; reserve adequate supplies to promptly solve difficulties; and integrate guidance to complete spillway projects at various reservoirs under construction. Deliberate plans should be formulated to cope with flash floods at the Hoa Binh and Tri An hydroelectric power projects, while a close watch should be maintained and prompt action taken against adverse development at the Hoa Binh hydroelectric power plant downstream project.

3. Formulate satisfactory plans and organization to protect the people, especially those who are on board vessels and boats sailing at sea or on rivers, and to evacuate people from coastal villages to prevent them from being hit by typhoons, and people from streamside villages to spare them from being swept away by flash floods. Various river and rerouting dike areas must formulate plans to ensure thorough communications under all circumstances, especially at main communications terminals and important wharves. Consolidate the information and liaison network to ensure optimal functioning to satisfactorily serve supervisory work against flash floods and typhoons. Improve the accuracy in weather, rain, flash flood, and typhoon forecasting, and satisfactorily, promptly, and widely provide the people with typhoon and flash flood information. Facilities in all sectors can be mobilized when it is necessary.

4. Various sectors must satisfactorily carry out their flood and typhoon control tasks, paying special attention to protecting their warehouses, equipment, and material-technical bases—especially in coastal, streamside, and low-lying areas. They must stand ready to shoulder their responsibility to meet all local requirements for coping with typhoons, floods, and waterlogging, and for overcoming their consequences. Army units in key areas must strengthen themselves to stand ready to participate in dike-supporting tasks and help the people when orders are received. The public security force must take effective measures to foil all schemes of sabotage by the enemy and bad elements, thereby satisfactorily ensuring

social order and safety at public places and in flood- and typhoon-stricken areas. Members of various organizations, enterprises, factories, and schools based in localities must participate in local dike-supporting tasks as well as flood and typhoon control tasks.

5. Various echelons of people's committees and leaders of local sectors, agencies, and units must regard the flood and typhoon task as their key task during the rainy and monsoon season.

Scholar Comments on PRC Actions in Spratlys
OW2505105488 Hanoi International Service in Mandarin
1130 GMT 18 May 88

[Excerpts] Listeners: Yesterday this station broadcast our reporter's interview with Prof Nguyen Ngoc Minh, member of the Standing Committee of the Vietnamese Legal Workers Association, on China's infringing on Vietnam's sovereignty around the Hoang Sa [Paracel] and Truong Sa [Spratly] Islands and violating the UN Charter and international law. In this broadcast, we will continue with the contents of Prof Nguyen Ngoc Minh's remarks.

He pointed out: The above-mentioned actions of the Chinese side was a gross violation of the International Pact and other regulations of the International Red Cross Society on humanitarian questions made public on 20 August 1949. [passage omitted]

Prof Nguyen Ngoc Minh said: As a member of the United Nations and a permanent member of the UN Security Council, China not only trampled on the UN Charter but also brutally violated its responsibility as a permanent member of the UN Security Council. China's actions are seriously worrying and disturbing many countries in the world, particularly Southeast Asian countries and countries around the South China Sea. Indonesia, the Philippines, Malaysia, and other countries feel very uneasy when they see China using force in an area 1,200 nautical miles away from China. [passage omitted]

Prof Nguyen Ngoc Minh continued: In the interest of the Vietnamese and Chinese peoples, the Vietnamese side has done its utmost to restrain itself and has sent a note to the Chinese side making the following proposals:

1. China must immediately withdraw its line of defense from the area of the Truong Sa Islands, stop all actions of infringing on Vietnam's territorial sovereignty in this area, and not obstruct the activities of Vietnamese supply ships in this area.

2. Both sides should sit at the negotiating table to solve the disputes between the two countries on the two archipelagoes and on land border issues. Both sides can hold talks at the foreign ministerial or vice foreign ministerial level in (?Beijing).

3. During the period of talks, both sides should make sure that they refrain from using force to prevent conflicts so as not to aggravate the situation.

Media throughout the world have welcomed Vietnam's sincere and just stand and called for the Chinese side to give a specific reply.

NHAN DAN Marks 25th Anniversary of OAU
BK2505085188 Hanoi VNA in English 0715 GMT
25 May 88

[Text] Hanoi VNA May 25—The national paper NHAN DAN in a commentary today marking the 25th anniversary of the Organization of Africa Unity (OAU) says that the formation of the organization and its activities against imperialism, colonialism, and racism, for independence, freedom, peace, and the development of the African people bear a great historic significance for all nations in this continent and the whole progressive mankind.

The paper praises the tireless and valiant struggle of the OAU against imperialism, old and new colonialism in firm defense of the independence of all African nations and their sovereignty over their national resources, and in support of the movements for national liberation.

"Today," NHAN DAN notes, "the African people's struggle for independence and freedom, and against backwardness and poverty is closely linked with that for peace, and against the nuclear arms race, particularly the development of nuclear weapons in South Africa. The struggle of the OAU is an uphill one. Imperialism, especially the U.S. imperialists, the racist administration of South Africa together with their lackeys, have sought ways and means to encircle and divide the independent countries in Africa."

The paper continues: "A close companion-in-arms with the African people, the Vietnamese people greatly rejoice at the firm unity and the growing strength of the OAU. The close relationship between the Vietnamese and African peoples is of long date. Since early this century, the late President Ho Chi Minh went to Africa and contacted many African revolutionaries. The success of the Vietnamese people's two resistance wars was closely related to the success of the revolution in many African countries. So far, 41 countries in this continent have had diplomatic relations with Vietnam."

Western Sahara President Lauds SRV 'Goodwill'
BK2505085788 Hanoi VNA in English 0709 GMT
25 May 88

[Text] Hanoi VNA May 25—The Saharan Arab Democratic Republic supports Vietnam's stance and goodwill for settling regional conflicts through negotiations.

The assurance was made by President Mohamed Abdelaziz while receiving Vietnamese ambassador Vu Toan in Oussed on May 10.

The Saharan leader on this occasion spoke highly of the Vietnamese people's arduous struggle for national independence and freedom, describing it as a bright example for other nations struggling for national independence and freedom in the world. He expressed his high appreciation of the long-standing relations between the two countries and his wishes for further consolidation of these relations.

Soviet Publishing Delegation Visits Hanoi
BK2605080888 Hanoi VNA in English 0709 GMT
26 May 88

[Text] Hanoi VNA May 26—A delegation of the Institute of Professional Perfection under the Soviet State Committee for Publication led by P.N. Resotov, director

of the institute, paid a visit to Vietnam from May 14-21 at the invitation of the Commission for Propaganda and Training of the Communist Party of Vietnam Central Committee.

While here, it paid tribute to President Ho Chi Minh at his mausoleum and visited his home and office.

The delegation had working sessions with officials of the host commission and the Ministry of Information. It toured some establishments concerned in Hanoi and in Ho Chi Minh City in order to better understand the reality in Vietnam and help in improving Vietnam's programme of training mass media and publishing workers.

It was received by Tran Trong Tam, member of the party Central Committee, and head of the host commission.

Australia

Government Announces Cuts in Taxes, Tariffs
BK2505125888 Melbourne Overseas Service in English
1200 GMT 25 May 88

[Text] The Australian Government has announced cuts in company tax and tariff protection for manufacturing industry. In an economic statement to Federal Parliament, the treasurer, Mr Keating, said the government would achieve a budget surplus next financial year of \$3,000 million Australian. This would help reduce Australia's massive foreign debt.

Mr Keating said that through a cut in company tax from 49 percent to 39 percent, Australian firms would be much more competitive. Tariffs on imports to protect Australian manufacturing industries are to be cut by an average of 20 percent over 4 years.

Mr Keating also said the government would crack down on the use of foreign tax havens to minimize tax payments in Australia.

Acting Minister on French Nuclear Test
BK2605063088 Melbourne Overseas Service in English
0500 GMT 26 May 88

[Text] France has conducted its largest nuclear blast at Mururoa in the South Pacific since 1985. The Australian Seismological Center said the test, early today Australian time, had a yield of 55 kilotons. It was the second French test this year; the first blast was a fortnight ago.

The acting foreign minister, Mr Duffy, said Australia reiterated its strong and longstanding opposition to French nuclear testing. Mr Duffy said the continued French test reflected French indifference to regional concern.

He said Australia attached high priority to achieving an end to nuclear testing through a comprehensive test ban treaty.

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